GOVERNMENT OF INDIA

PLANNING COMMISSION

FIVE YEAR PLAN

PROGRESS REPORT

FOR

1953-54

September, 1954

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INTRODUCTION

THIS PROGRESS REPORT is concerned primarily with the orking of the Five Year Plan during the year 1953 54 but portunity has been taken to review so far as possible the hievements of the first 3 years in relation to the targets t for 1955 56 Although strictly speaking the period vered by the Report ended on March 31st 1954 mention s been made of developments since that date wherever is appeared to be appropriate

The system of reporting has not yet been perfected with e result that though this Report is being published six onths after the end of the year 1953 54 figures of physical erformance and even of actual expenditure under different eads in that year have not yet been received in full To oid delay the Report has been drawn up on the basis of ich material as was available incomplete though it may be certain respects

The Report aims at giving an objective account of the rogress made in different sectors of the economy The conomic situation in the country has improved distinctly nd part of the immediate objective of the Plan *viz* to cor ect the disequilibrium in the economy caused by the War nd Partition has largely been realised But the broad fact merges that in the first three years of the Plan about 40 per cent of the total planned expenditure in the public sector had been incurred and intensive and co ordinated effort will be needed this year and the next to ensure the fulfilment of the Plan targets

The Planning Commission has been examining the causes of the shortfalls in expenditure that have occurred These causes are varied To some extent the late finalisation of the Plan accounts for the low expenditure in the initial years In some cases the schemes approved had not been worked out as closely as they should have been Some schemes like Community Projects and National Extension Service took shape more than a year after the commencement of the plan period In several cases the administrative arrangements necessary for an expanded development programme were not put through early and it was discovered that the spend ing capacity of various departments was limited by the level

of expenditure in the past and the rate at which the tional personnel needed could be put into position In th case of the railways the stepping up of expenditure a scheduled in the Plan has been held back on account of lac of availability of some of the components and there has be an unavoidable delay in the commencement of the new stee project

These problems are now under close study and as first step the Planning Commission has decided to ... new schemes of development in fields like power water supply and roads where there is need for larger expe... and there is potential spending power As far as possibl such schemes as can be completed within the period of the present Plan are being preferred This will not mean a increase in the total size of the Plan for the new scheme will in effect be in substitution of others on which it is found that the lag in expenditure is unavoidable

The completion of the third year of the Plan has brough out as will be seen from the chapters of the Report a num ber of new problems which need to be looked into carefull and promptly These problems only illustrate the essentia nature of planning which presupposes continuous adjust ment to changing circumstances and a watch to correct un desirable developments in parts of the system The weak nesses or lacunæ discovered in the Plan or its implementa tion are important Nevertheless it will be noted that in these three years a great deal of work has been initiated and there is now a general appreciation of the need for and ad vantages of a planned approach to economic and social problems The Plan is more than a programme of expendi ture and it is even more than a statement of physical targets The ultimate test is to what extent have the people responded and on this evidence shows unmistakably that the approach to developmental problems indicated in the Plan is being well received What is needed now is to build more firmly on the basis of the gains already recorded and to press ahead with the further tasks of economic development and ... advance

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NEW DELHI
September 21 1954

Chapter I

ECONOMIC TRENDS IN RELATION TO THE PLAN

At the end of the first three years of the Plan, the Indian economy ents a picture of added strength and stability which is satisfac- in itself and also augurs well for the future Agricultural pro- tion has increased industrial production has maintained a steady ward trend prices have fallen from the abnormally high levels ained in 1950-51 and are somewhat below the pre Korean levels l the balance of payments position has improved With the pro- ssive relaxation of controls on foodgrains and the restoration of e market conditions the consumer has benefited. The inflationary essures which characterised the immediate post war years and re heightened by the Korean war boom have practically disap- ared Similarly the fears expressed in 1952 53 in some quarters a sharp recessionary trend which might affect adversely the wth of production in the economy have abated. The capital *rket has gained some strength and business confidence has im-* oved. Altogether production prices and money supply with the blic are in better balance now than at any time since the war e realisation of the first objective of the Plan *viz* the removal the shortages and disequilibrium caused by the war and Partition now in sight

2 It is more difficult to assess what progress has been made to- rds the more long range objectives defined in the Plan, such as e drawing into the public exchequer of a larger proportion of the ional income a stepping up of investment not only in absolute rms but as a percentage of national income and the enlargement employment opportunities at a rapid rate Progress towards these ore long range objectives it must be stated can be judged only er a period and one has to be cautious in interpreting short period ends Nevertheless broad indications are that a marked advance this direction has yet to be recorded Judged in terms of imme- ate as well as more long term needs an increase in investment is a ajor desideratum.

3 An appraisal of the progress achieved so far may be made om a review of the realisation of the Plan targets in different sec rs of the economy in the first three years The following ves some of the physical targets laid down in Plan and ogress made towards their by

Targets and Achievements under the Plan in Physical Terms

	1950-51 Base Year	Increase by 1955 56 Plan Target	Increase achieved in 1953 54	of achie ment Pl 3—2
	(1)	(2)	(3)	(4)
I *Agricultural Production*				
Foodgrains (Million tons)†	54 0	7 6	11 4	150
Cotton (Lakh bales)	9 7	12 6	9 6	76
Jute (Lakh bales)	32 8	20 9	—1 5	
Gur (Lakh tons)	56 2	7 0	—10 0	
II Electric Energy (Million kW)	2 3	1 2	0 5	41
III Irrigation (Million acres)	50 0	19 7	7 5@	38
IV *Industrial Production*				
(a) Finished steel (Lakh tons)	9 8	6 7**	1 0	14 9
(b) Cement (Lakh tons)	26 9	21 1	13 4	63 5
(c) Ammonium Sulphate (000 tons)	46	404	61	64 6
(d) Locomotives (Numbers)	7	143	79	55 2
(e) Jute Manufactures (000 tons)	892	308	—8	
(f) Mill Cloth (Million yards)	3718	982	1188	120 9
(g) Bicycles (000 s)	101	429	188	43 8
(h) Coastal Shipping (000 s G R.T)	217	165	102	61 8
V National Highways (000 s miles)	11 9	0 6	0 3	50 0
VI *Education and Health*				
(a) Primary schools (000 s)	173	38○@	16	42 1
(b) Junior Basic Schools (000 s)				
(c) Hospitals (000 s beds)	106 5	10 7	4 8††	44 8
	35 0	9 5@@	2	3 2

†Including gram and pulses
Base Year is 1949-50
@Of which 2 8 is by way of major works and 5 3 is through minor works
††In addition to 4 8 thousand beds have been added in T B Hospital by 1953 54
* Target to be achieved by 1957 58
@@ Revised Target.

4 As will be seen from the above table in respect of foodgrain production—a major problem which presented formidable difficulties in 1950 51—the target set for 1955 56 has already been exceeded substantially Part of this increase has been due to two successive good monsoons but part must be regarded as the cumulative result of the effort made in the country for several years past and intensified during the Plan period It must not be forgotten however that agriculture in India still depends largely on the monsoon and not until a substantial part of the cultivated area is brought under irrigation—and improved agricultural practices are adopted extensively—can the food problem be regarded as having been solved In the production of cotton the achievement so far is satisfactory about

per cent of the Plan target having been realised in 1953-54 No h progress can however be reported about raw jute and sugai ie There was a substantial rise in the production of raw jute ring 1951-52 but this could not be sustained In this case as in it of sugarcane there have been large fluctuations from year to ar and the break of the Korean war boom has re ... ed markedly versely on output Nevertheless agricultural production as a iole has gone up by over 18 per cent since 1950-51 as the follow g table shows

Index Numbers of Agricultural Production

(Base Agr Year 1949-50=100)

	1950-51	1951 52	1952 53	1953 54
Rice	87 9	90 1	96 7	116 4
Wheat	100 1	93 9	104 3	111 0
Total Cereals	90 3	91 2	101 4	117 2
Pulses	91 7	90 3	99 0	108 9
Total Foodgrains	90 5	91 1	101 1	116 1
Oilseeds	98 5	97 5	92 1	108 9
Cotton	110 7	119 2	119 2	149 7
Jute	106 3	151 4	149 1	101 3
Plantation Crops	104 0	109 4	115 9	116 5
Sugarcane	113 7	121 5	101 6	93 4
All Commodities	95 6	97 4	102 0	113 5

5 Industrial production has also gone up The index of indus rial production (base 1946=100) which stood at 105 in 1950 ro e to 17 in 1951 129 in 1952 and further to 135 in 1953 In the first five honths of 1954 the index was 140—that is about 33 per cent higher han the level in 1950 The progress achieved in some individual ndustries has already been set out earlier in the table on targets and achievements under the Plan In the case of mill made cotton cloth an important item of common consumption and an important foreign exchange earner output in 1953 54 was 4906 million yards which was about 21 per cent higher than the targeted increase set for 1955-56 Later figures available indicate that this trend is being well maintained Production of handloom cloth has al o increased

6 For a number of o her industrie also achievements during the first three years of the Plan have been on the whole sa isfactory Output of cement—a significant indicator of capital formation—was 13 4 lakh tons higher in 1953 54 than in 1950-51 Ammonium sul phate bicycles and several engineering indu tries are also showing similar trends On he other hand one had to mention the rather stagnant state of the jute manufacturing indu try production of iron and steel also has not conformed to expectations owing partly to labour troubles and par ly to late commencement of the development schemes in this line

7 It may be mentioned also that a great deal of indu trial activ ity is going on in the country the results of which are not quite

discernible in the current output indices Altogether a new, more diversified industrial structure is slowly emerging The [illegible] motive industry the telephone industry machine tools rayon d[illegible] stuff newsprint and several other industries though not yielding significantly high output immediately are likely in a few years to contribute materially towards raising the level of the [illegible] The Sindri Fertilizer Factory is already producing capacity outpu[illegible] and i catering to such an expanding demand that need is now fel[illegible] for two additional fertiliser plants

8 Progress in the field of production has been accompanied [illegible] a reassuring over all stability of prices It is significant that in first hree years of the Plan new investments have been undertake —and the economy it may be claimed has definitely moved fo —without inflationary pressures being accentuated in the process fact the price level now is below the immediate pre Plan level I will be recalled that the index of wholesale prices in the pre Korean months May June 1950 was in the neighbourhood of 395 (base year ended August 1939=100) At the commencement of the Plan in April 1951 the index of wholesale prices had shot up to 458 There after a sharp downward trend ensued and prices slumped to a low level of 367 in May 1952 In the subsequent period prices recovered again and apart from seasonal fluctuations have fluctuated around the pre Korean level They are at present in the region of 385 Con verted to a 1949 base the index works out at 105 115 101 and 103 for 1950 1951 1952 and 1953 respectively and for September 1954 it is again around 101 The all India cost of living index (base 1949) was 101 for 1950 105 for 1951 103 for 1952 and 106 for 1953 It rose to a peak of 111 in July August 1953 but has receded s eadily thereafter and is now around 102 External factors like the decline in world prices and the strengthening of disinflationary forces abroad have contributed to this result But domestic fiscal and monetary policies coupled with the steady increase in domestic output over the last three years have also played their part

9 At the commencement of the Plan money supply stood at Rs 1 966 crores (on March 31 1951) At the end of March 1954 money supply was Rs 1 845 crores that is Rs 121 crores less than in March 1951 This highlights the fact that in spite of budgetary deficits no inflationary impact has so far been felt as a result of the operation of the Plan The balance of payments position of the country has also improved during the pa t two years In 1950 51 the country had a surplus of Rs 55 6 crores in the external payments on current accoun but this was followed by a large deficit of Rs 136 3 crores in 1951 52 owing to heavy imports of food and of industrial raw mate rials As will be recalled during the two years 1950 and 1951 there

was a serious failure of food crops as a result of widespread drought and the shortage in foodgrains could only be met through large imports of foodgrains which were financed partly out of the U S Wheat Loan In 1951 imports of foodgrains rose to 4 7 million tons from 2 1 million tons in the previous year and in 1952 also imports were as high as 3 9 million tons Imports of certain raw materials like cotton were also very high partly because of insufficient domestic production and partly by way of speculative stock building during the Korean boom As agains the adverse position of the balance of payments in 1951 52 a surplus of Rs 74 1 crores emerged in 1952-53 In 1953-54 also the favourable trend in the balance of payments has been maintained the provisional figures for the year indicate a surplus of Rs 48 4 crores The increase in domestic food production made it possible to reduce imports of foodgrains in 1953 to 2 0 million tons from the high levels in the earlier years of the Plan and the imports scheduled this year are expected to enable the country to build up some stocks against an adverse contingency Thus the economy has been marked by monetary stability all through and output has more than kept pace with money supply This in turn has reacted favourably on the balance of payments The sterling balances held by the Reserve Bank declined by Rs 161 crores in 1951 52 The decline continued till about July 1952 when they reached a level of Rs 673 crores Thereafter the position improved and in the third quarter of 1953 sterling balances were steady around a level of Rs 700 crores There was a substantial increase again in the first quarter of 1954 part of which has since been reversed Sterling balances at present stand at Rs 730 crores which is Rs 150 crores below the pre Plan level

10 These developments have not been without their drawbacks The low tempo of the Plan and the bearish tendencies generated in the process of a change-over from a sellers to a buyers market have reacted adversely on employment especially in the urban areas It was in the light of this circumstance that an increase in the size of the Plan by Rs 180 crores was decided upon towards the close of last year The level of domestic prices the production trends in the economy and the external payments situation taken in the light of the employment trends and the need for securing more rapid development clearly warrant an expansionary impetus being given to the system So long as inflation manifest or latent was a major problem a cautious attitude towards investment expenditure was unavoidable But since excess money supply has now been completely liquidated and production is making steady strides an acceleration of the rate of expenditure is not only harmless but also desirable

11 The progress of expenditure under the Plan is reviewed detail in the next chapter Here it may be mentioned that of aggregate development expenditure of Rs 2 249 crores planned for the five years only about Rs 885 crores or 40 per cent of the total outlay has been spent so far A very considerable stepping up of expenditure in the last two years of the Plan is called for if the tempo of activity reached so far is to be sustained and accelerated

12 While an increasing scale of expenditure in the public sector is thus necessary it has to be stressed that the overall rate of growth attained will depend in no smaller degree on the course of developments in the private sector The Plan envisages almost as much investment in the private as in the public sector Data on the trend of investments in the private sector are far from adequate But it would appear on a broad view that in 1952 53 investment in the organised industrial sector suffered some setback. More recent trends however appear to be encouraging and there are indications that the private sector is gradually gaining in confidence Domestic production of capital goods has shown an improvement in 1953 54 compared to 1952-53 and considerable new plant constructions are in hand The capital market is quite buoyant and one hears little either of the shyness or of the dryness of the market for investment funds The index of prices of variable dividend securities has moved up from 92 in September 1953 to 121 about the middle of September 1954 The amount of new capital issue sanctioned in 1953 was Rs 81 crores as against Rs 40 crores in 1952 and Rs 60 crores in 1951 The net increase in paid up capital of joint stock companies in 1953 was Rs 36 2 crores as against Rs 36 7 crores in 1952 but since the increase in the second half of the year was much larger than in the first half the conclusion can be drawn that private investment is at last making some headway Building activity in the country also appears to have been maintaining a high level Private investment has undoubtedly its problems financial as well as organisational. The Shroff Committee has recently reported on some of the financial aspects The Report of the Taxation Enquiry Commission due to be published shortly will also have an important bearing on the financial problems of the private sector The Government have in hand proposals for a special Investment Corporation to promote and assist private industry These are illustrations to indicate that the problem of stepping up capital formation in the private sector is receiving careful attention

13 From the point of view of increasing substantially the aggregate investment in the economy there are however a few pointers which pose a problem For example the yield from certain known forms of private savings—for example insurance premia increase in

deposits and in share capital of co-operative banks small saving etc has not been going up to any marked extent and there is little evidence of an increased rate of saving in these directions Neither in public savings as recorded in Government budgets nor in visible private savings can one see so far the impact of increased incomes consequent on higher levels of production Published data on national income relate to 1950 51 but tentative estimates made in the National Income Unit indicate that in 1951 52 *per capita* incomes were Rs 252 and in 1952 53 they reached a level of Rs 261 which was the Plan target for 1955 56 (All these figure are in constant 1948-49 prices) Since the *per capita* income in 1950 51 was estimated by the National Income Committee at Rs 246 3 (in 1948-49 prices) the percentage increases work out at 2 20 and 3 85 per cent respectively for the first two years of the Plan Thus it would appear that the plan target of raising the *per capita* income level in the country by about 5 per cent over the five years of the Plan was actually achieved in 1952 53 and 1953-54 should record a further increase The question then is Is the rate of investment in the economy going up proportionately and if so what are the corresponding sources of saving?

14 To these questions it will be appreciated no definitive answers can be given at this stage Allowance must be made for some margin of error in national income estimates especially as the data on some of its components are admittedly inadequate Nevertheless it seems safe to presume that there has been a moderate rise in *per capita* real national income in recent years—a rise which appears *prima facie* to be somewhat larger than would be warranted by the currently accepted estimates of investment and the ratio of output to investment It will be recalled that inthe Plan the initial rate of investment in the economy was assumed to be about 5 per cent of national income and the Plan target was to raise it to about 7 per cent by 1955-56 The resultant increases in output were calculated on the basis of a capital output ratio of 3 1 Judging from recent trends it would appear that in the initial years of the Plan the capital-output ratio has been more favourable in other words increases in output have materialised with comparatively less investment per unit of output Part of the explanation is the two good monsoons In an economy predominantly agricultural capital output ratios are subject to exogenous influences that is to variations from outside the economic system proper To some extent the fact that increases in output have taken place through fuller utilisation of capacity already in existence *e g* in the textiles would also account for a high output rate per unit of current investment But there another possibility *viz* that the rate of investment in the

when the Plan started was higher than was originally assumed Some of the results of the enquiries undertaken by the National Sample Survey would seem to support such a conclusion

15 But if the hypothesis stated above be correct it is still open to question if there has been a *progressive* stepping up of the rate of investment in the first three years of the Plan In the public ector the increases in development expenditure smaller though they have been than warranted by the five year target have un doubtedly resulted in a higher investment rate Data regarding the trend in private investment are as mentioned earlier sketchy But there is no clear evidence that the proportion of national income (which latter in the aggregate is rising) devoted to inve tment is going up as it should if the tempo of development is to rise progressively so as to make a marked impression on levels of income and employment That increases in domestic output under a system of decontrol are apt generally to raise consumption rather than invest ment poses a problem in this context A plan is essentially an endeavour to secure a rapid progressive rise in the rate of invest ment and as was stated in the Planning Commission s Report which presented the Plan in its final form the First Five Year Plan is to be regarded not merely as a means to secure an increased supply of certain urgently needed goods and services but also as a stepping stone to higher rates of development in the future The observa tion made in the preceding paragraphs tentative as they are as well as the record of progress so far towards mobili ing increased resources for the public sector (discussed in the next chapter) suggest the need for a closer examination of the relevant determinants of development in the present stage of the Indian economy and es pecially of the techniques through which these could be acted upon effectively

16 To sum up The last three years have witnessed a significant all round improvement in the Indian economy and although the Plan has yet to gather sufficient momentum its first results may be said to be encouraging But experience gathered so far also shows that the implementation of the Plan to schedule will hereafter require far greater effort on the part of all concerned the Central and State Governments as well as the public at large There is now far greater appreciation all round of the promise of the Plan and with it happily greater awareness of the problems of planning for development The successful implementation of a Plan—and there will have to be several five year plans for the living standards in the country to rise to desired levels—demands persistence and co-operative effort of a high order The tasks ahead are heavy

and exacting but the response which the Plan has evoked in those fields where it comes directly into contact with the public especially in the rural areas encourages the hope that the effort and co-operation needed will be forthcoming

Chapter II

FINANCING OF THE PLAN

I OUTLAY ON THE PLAN 1951 54

In the three years ending March 1954 the Central and State Governments are estimated to have spent about Rs 885 crores on the Plan as under —

(Rs crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (R E)	Total
Centre	130 5	126 1	188 3	444 9
States	129 0	143 6	167 3	439 9
TOTAL	259 5	269 7	355 6	884 8

Over the three years expenditure on the Plan works out at about 40 per cent of the total outlay proposed for the five-year period For reasons which were stated in the First Progress Report published in May 1953 the Plan started in a low gear In fact the expenditure levels for 1951 52 as shown in the Plan followed closely the budget allocations for that year which were finalised before the Plan was published In 1952 53 there was it now appears only a small stepping up of expenditures About the middle of 1953 the emergence of recessionary conditions and the worsening of the employment situation brought out clearly the need and scope for larger outlays in the public sector The budget estimates for 1953 54 had already provided for larger outlays For that year the Centre had budgeted for an expenditure of Rs 237 crores on the Plan the corresponding total budgeted for by the States was Rs 176 crores The Revised Estimates indicate lower spending the shortfall in the Centre being Rs 49 crores and in the States Rs 9 crores Judging from past experience the actuals for 1953-54 might well show a level of expenditure even smaller than the Revised Estimates would indicate It is clear that a rapid and substantial stepping up of expenditures both at the Centre and in the States is called for from now on and indeed this must be regarded as a matter of top priority

2 The major items on which expenditure is markedly behind schedule are indicated below —

(Rs crores)

	1951 54	1951 52	1952 53	1953 54 (R E)	Plan Total (as revised)
Community Projects	9 3		1 4	7 9	90 0
Railways (excluding current depreciation)	110 3	40 9	30 2	39 2	250 0
Industries	34 1	12 3	10 0	11 8	178 1
Education	68 7	19 3	22 1	27 5	165 0
Housing	10 3	2 0	3 3	5 0	49 0
Rehabilitation	62 1	26 8	20 6	14 7	1 9 7

The factors responsible for these lags in expenditure are discussed later in the appropriate chapters of this Report Here it may suffice to mention that these lags are attributable in part to the late finalisation of the Plan in part to the late commencement of some of the schemes and in part to what might be called insufficient working out of schemes in advance In some cases the lack of availability of certain types of equipment shortages of technical personnel and the time needed for setting up the necessary administrative machinery have prevented more rapid progres

In some sectors progress of expenditure as well as of actual work has been more or less up to schedule Thus expenditure on irrigation and power schemes for example has been Rs 300 crores in the first three years as compared to the five year estimate of Rs 617 crores If the budgeted expenditure of Rs 168 crores this year materialises fully the balance to be spent in 1955-56 will be about Rs 150 crores The programme of tube wells which came into operation after some initial delay has picked up satisfactorily

3 The distribution of the outlays incurred on the Plan in the first three years has been as follow —

(Rs crores)

	1951 5	1952 53	1953 54 Revised	1951 54 Total	1951 56 (Plan)	Percentage of (4) to (5)
	1	2	3	4	5	6
Agriculture and Community Development	28 9	29 6	49 1	107 6	373 7	29
Irrigation and Power	81 7	97 8	120 6	300 1	616 8	49
Transport and Communications	67 7	62 1	94 3	224 1	535 9	4-
Industry	12 3	10 1	11 8	34 2	178 1	19
Social Services (including rehabilitation of displaced persons)	63 5	63 8	71 3	198 6	489 4	41
Others	5 4	6 3	8 5	20 2	55 0	

4 For 1954-55, the budgets of the Central and State Governments provide for substantially larger outlays on the Plan than in the preceding years the total of Plan expenditure proposed being Rs 572 crores that is as much as Rs 216 crores over the level of expenditure indicated by the revised estimates for 1953 54 A large part of this increased outlay is to be borne on the Central Budget the level of expenditure envisaged being Rs 356 crores as compared to Rs 188 crores as per the revised estimates for 1953 54 In the States the budgeted outlay for 1954-55 is Rs 216 crores as compared to Rs 167 crores in 1953 54 (revised estimates) The major heads under which these increases are envisaged are —

(Rs crores)

	1953 54 (R E)	1954 55 (B E)
Agriculture	26 9	45 1
Community Projects	7 9	-4 0
Irrigation & Power	120 6	167 5
Railways	39 3	65 0
Civil Aviation	4 4	10 0
Ports and Harbours	7 9	13 4
Large Scale Industries	8 5	25 7
Education	27 4	40 8
Health	17 3	26 8
Housing	5 0	15 5
Local Works	2 0	6 0
Rehabilitation	14 7	23 3
TOTAL	281 9	463 1

These increases which account for Rs 181 crores of the total increase of Rs 216 crores proposed for the current year are distributed widely over several heads and *should* with effort on the part of all Ministries and departments concerned be feasible

II Financial Resources for the Plan

5 The progress of financial resources made available for the Plan is set out in detail in the statements attached to this Chapter Briefly the position for the Centre and States taken together is as follows —

(Rs Crores)

	1951 52	1952 53	1953 54 (R E)	1951 54 Total	Percentage of (4) to total out lay in 1951 54
	1	2	3	4	5
I Budgetary resources	04 9	148 1	182 3	535 3	60 5
(a) Current Revenues and Surpluses of Commercial Enterprises	222 0	121 2	53 -	396 4	44 8
(b) Loans and Small Savings (net of miscellaneous receipts and expenditure on capital accounts)	( )17 1	26 9	129 1	138 9	15 7
II External Assistance	64 9	41 0	25 5	131 4	14 9
III Increase in Floating Debt Sale of Securites held in Reserve and drawing down of Cash Balances	( )10 3	80 6	147 8	218 1	24 6
TOTAL	259 5	269 7	355 6	884 8	100 0

In other words of the total outlay incurred so far a little over 60 per cent has been financed from normal budgetary resources representing savings from current revenues surpluses of government owned enterprises loans small savings and miscellaneous capital receipts About 5 per cent of the total outlav has been financed from external assistance and the rest that is a little under 25 per cent represents financing through drawing down of cash balances sales of securities held in reserve and short term borrowing Even if as has happened these last mentioned modes of financing have not led to recrudescence of inflationary pressures thev are not a dependable source which can be counted upon in the future There is clear need therefore for measures to strengthen normal budgetary resources

6 Progress in raising resources needed for the Plan may now be considered with reference separately to the Centre and to the States The outlay of the Central Government in the period under review has been Rs 445 crores Of this Rs 236 crores represented savings of public authorities that is surpluses from current revenues and profits from commercial enterprises Rs 88 crores was obtained as net capital receipts from loans small savings and other miscellaneous sources In other words apart from receipts on external assistance on the one hand and Central Assistance given to the States on the other the Centre was short of Rs 121 crores for meeting its own expenditures which however includes transfer of funds to the States on heads other than Central Assistance as defined in the Plan The gap widened by Rs 122 crores on account of Central Assistance made available to States The receipts of external assistance being of the order of Rs 131 crores the net gap left in the resources of the Centre was Rs 112 crore which was financed by an estimated drawing down of Rs 111 crores of cash balances the receipts on short term borrowings being almost matched by payment for purchases of securities in the cash balance investment account

7 The outlay of State Governments in the first three years of the Plan is estimated at Rs 440 crores Of this about Rs 160 crores or about 36 per cent was financed from revenue surpluses and Rs 52 crore from loans from the public net of miscellaneous payments under deposits funds etc In other words the States own resources for financing their Plans amounted to Rs 212 crores or about 48 per cent of the total These were supplemented by Central Assistance estimated to total Rs 122 crores over the three years bringing the total of disposable financial resources with the State Government to about Rs 334 crores The gap of Rs 106 crores still left to finance the Plan outlay of Rs 440 crores is estimated to have resulted in drawing down of cash balances by Rs 35 crores sales of securities held in reserve to the extent of Rs 52 crores and a net increase of Rs 19 crores in short term indebtedness Financing in this manner of as much as 25 per cent of the Plan at the low levels of expenditure recorded in the first three years is a matter which must cause concern

III Comparison with Plan Targets

8 We may now compare the financial resources position of the Centre and the States as it has evolved with the scheme for financing that was presented in the Planning Commission s Report

(Rs crores)

	Scheme of Financing as per Plan 1951 56			Budgetary Resources that became available in 1951 54		
	Centre	States	Total	Centre	States	Total
Public Savings From						
(a) Current revenues	160	410	570	161 (268)	160 (267)	3 1 (535)
(b) Railways	170		170	75 (125)		75 (125)
Private Savings absorbed through						
(a) Loans from the public	36	79	115	—33	68 (113)	35 (58)
(b) Small Savings and other unfunded debt	270		270	151 (251)		151 (51)
(c) Deposits funds and other miscellaneous sources (net)	90	43	133	—30	—16	—46 (—76)
TOTAL	726	532	1258	3 4 (540)	212 (353)	536 (893)

N B Figures in brackets are 5 year totals worked out by multiplying 3 year totals by 5/3

*This relates to the Plan as published in 1952 *i e* to a total outlay of Rs 2069 crores The subsequent addition of schemes costing about Rs 180 crores it was understood would be mainly deficit financed

9 Budgetary resources for the Centre and the States together worked out at Rs 535 crores in the first three years as against the five year estimated total of Rs 1258 crores Achievement so far is below the targets defined in the Plan as will be seen from a comparison of the totals as planned for the five year period and the totals (shown in brackets) arrived at by converting the three-year figures to a five year basis In the next few paragraphs the position in regard to each sub head mentioned above is reviewed briefly

10 Under public savings from current revenues there is obviously a large shortfall in the States which found from this source Rs 160

crores in the first three years as against the five-year target Rs 408 crores At the Centre on the other hand the five year of Rs 160 crores was reached in three years time and if one we to assume that this rate will be maintained in the two years the total under this head available for the Plan period wo work out at Rs 268 crores which would be highly satisfactory c an assumption cannot however be made since the amounts availat annually have shown a declining trend in the last three years T total of Rs 161 crores of Centre s revenue surpluses drawn into Plan accrued as follows

(Rs crores)

1951 5	195 53	1953 54 (R E)
119 6	41 4	0 1

The bulk of the contribution from this source was directly able to the exceptional buoyancy in revenues associated with Korean war boom and the position worsened rapidly with th return of more normal conditions bringing the contribution fror this source down to practically nil in 1953 54 The budget estimate for 1954 55 again indicate an improvement to a level of about Rs 3 crores but even so it is doubtful if any thing like Rs 268 crores wi be forthcoming from this source over the five year period If on th other hand one takes into account the fact that the award of th Finance Commission has resulted in a transfer of Rs 20 crores a yea from the Centre to the States as from 1952 53 (which was not envi saged when the resources targets for the Plan were formulated) th contribution made by Centre s revenue surpluses to the financing o the Plan must be regarded as satisfactory

11 The surpluses from Railways have fallen below expectations This shortfall was due partly to a decline of Rs 20 crores annually in receipts and partly to an increase in staff expenses Thus while in 1951 52 the surpluses of the Railways were Rs 38 crores they declined to Rs 23 crores and Rs 14 crores respectively in the two subsequent years

12 The five year target for loans from the public was Rs 115 crores In the first three years repayments of maturing debt at the Centre have exceeded new receipts by Rs 33 crores while he States have been able to raise Rs 68 crores by way of public loans The net aggregate of Rs 35 crores obtained over the three years works out to a lower annual rate than was assumed originally for the Plan period but the indications here are that over the five-year period the

target will in all probability be exceeded The following table is indicative of the trend

(Rs crores)

	1951 52	1952 53	1953 54 (R E)	1954 55 (B E)
Centre	—34 2	—0 9	1 7	25 .
States	11 5	16 6	39 9	18 0
TOTAL	—22 7	15	41 6	43 2

For 1953 54 the revised estimates above totalling Rs 41 6 crores may be compared to the budget estimates made earlier which had indicated a net repayment of maturing loans by the Centre of Rs 16 7 crores and a receipt of Rs 14 1 crores by the States giving a total negative receipt of over Rs 2 crores Similarly the budget estimates of loan receipts amounting to Rs 43 2 crores will be improved upon in view of the fairly satisfactory response to the National Plan Loan this year

13 On small savings and other unfunded debt the receipts so far work out to an annual rate of Rs 50 crores as against the target of Rs 54 crores assumed in the Plan The small savings movement has been considerably intensified in these years and there is every hope that they will contribute over the five year period up to if not more than the total envisaged under this head in the Plan

14 Deposits funds and other miscellaneous sources have shown a net payment out of Rs 47 crores in three years This head comprises a large variety of items and its probable net contribution hereafter can hardly be predicted It might be mentioned however that as against an outgo of Rs 80 crores under this head in the first two years the third year recorded a net receipt of Rs 34 crores

15 The position on the whole may be summed up thus While the contribution of revenue surpluses and profits from commercial enterprises has turned out to be smaller than was expected the receipts from loans and small savings (not to mention in this context the absorption by the public of securities sold by Governments) seem likely to turn out to be larger In other words one may reasonably expect that the public at large will over the whole five year period make available to Government by way of loans at least part of what the latter did not find it possible to raise through taxation or surplus earnings on commercial enterprises

16 So far regarding domestic budgetary resources To what extent these were supplemented by external assistance and by deficit financing has been mentioned earlier (para 5 above) A more detailed discussion of these two types of financing is attempted later

IV Plan Outlays and the Financing of the Same Individual States

17 Since a detailed analysis showing the progress of Plan expenditure in each State and the financing of the same have been set forth in the statements appended to this chapter only a few striking features of the same need be touched upon here The following table shows the percentages of Plan expenditure incurred by each State in the first three years to the five year total

States	Percentage of total Plan expenditure incurred in 1951—54
1 Madras (composite 2¼ years)	50
2 Bombay	55
3 Uttar Pradesh	51
4 West Bengal	51
5 Bihar	50
6 Hyderabad	46
7 Saurashtra	46
8 Mysore	45
9 Madhya Pradesh	44
10 Orissa	44
11 Travancore Cochin	43
12 PEPSU	39
13 Punjab	36
14 Madhya Bharat	35
15 Rajasthan	33
16 Assam	32
17 Jammu and Kashmir	32
18 Part C States	28

Relatively speaking that is admitting the fact that the overall rate of spending has been behind schedule the progress of expenditure

(50 per cent and over) in the first five States listed above may be said to be satisfactory and the progress of expenditure in the next six (40 per cent and over) may be regarded as fair while in the rest of the States the rates of expenditure achieved have to be considered as seriously lagging behind The fact that in thi last category States which had to set up new administrations after Independence figure prominently is a pointer to an important 'bottleneck in the Plan

18 The overall shortfall in States budgetary resources and the heavy drawing down of cash balances and securities held in reserve (in excess of the five-year target already) have been mentioned earlier Within this broad position there have been as might well be expected large variations as between States and it can be said that the financial difficulties have been particularly acute in the case of some States *e g* Madras West Bengal Punjab Bihar Mysore and Hyderabad This is illustrated by the following table which gives the statewise break up of the shortfall of Rs 106 crores (*vide* para 7 above) in the budgetary resources as compared to Plan expenditure for 1951—54

Part A States	*(Rs Crores)*	*Part B States*	*(Rs Crores)*
Andhra	—0 2		
Assam	1 2	Hyderabad	6 8
Bihar	11 8	Madhya Bharat	0 4
Bombay	—1 1	Mysore	3 9
Madhya Pradesh	—6 3	PEPSU	—0 4
Madras	51 5	Rajasthan	4 7
Orissa	—2 3	Saurashtra	3 7
Punjab	15 6	Travancore Cochin	2 8
Utter Pradesh	5 5	Jammu & Kashmir	—0 8
West Bengal	9 5		
TOTAL	85 2	TOTAL	21 1

*Composite Madras for 2¼ years and residuary Madras for the closing months 1953 54

19 The following table brings out the additional resources raised by various States as compared to the targets accepted by them at the time the Plan was finalised

(Rs Crores)

States	Additional Resources raised in 1951 54			Plan target				
	By additional measures of Taxation	By way of loans from the public	Total	Additional measures of Taxation	Loans from the Public	Total	(1) as Percentage of (4)	(3) as Percentage of (6)
	1	2	3	4	5	6	7	8
Assam	0 9		0 9	3 5		3 5	26	26
Bihar	1 0	1 3	2 3	7 3		7 3	14	32
Bombay	7 5	12 9	20 4	23 5	25 0	48 5	3	4[illegible]
Madhya Pradesh	0 9	2 1	3 0	10 6	5 0	15 6	8	19
Madras	2 5	18 8	21 3	39 3	17 0	56 3	6	38
Orissa	0 9		0 9	9 4		9 4	10	10
Punjab	1 0		1 0	5 0		5 0	20	20
U P	3 3	13 3	16 6	50 2	5 0	55 2	7	30
West Bengal	2 1	7 4	9 5	36 9	10 0	46 9	6	[illegible]0
Hyderabad	0 3	3 3	3 6	7 4	6 0	13 4	4	27
Madhya Bharat	2 4	1 1	3 5	4 9		4 9	48	72
Mysore	1 0	3 4	4 4	9 2	9 0	18 2	10	24
PEPSU	0 1		0 1	3 3		3 3	4	4
Rajasthan	0 5		0 5	4 1		4 1	12	12
Saurashtra	0 7	1 1	1 8	4 7		4 7	15	38
Trav Cochin	3 7	3 3	7 0	11 0	2 0	13 0	34	54

Not too much should of course be read in the last two columns in the table for these percentages have to be interpreted in the light of the totals to be raised the level of taxation already existing and the special circumstances of each State in view for instance of natural calamities and other inhibiting factors

20 The position can be looked at in another way Under the Plan the States were required to raise Rs 232 crores by way of additional taxation—and some economies in non development expenditure In the three years that have gone by the estimated yield

from additional taxation so far imposed has been about Rs 29 crores About two-thirds of this amount has been raised by five States as shown below —

	Rs Crores
Bombay	7 5
U P	3 3
Madras	2 5
Madhya Bharat	2 4
Travancore Cochin	3 7
TOTAL	19 4

For 1954-55 the yield from additional taxes impo ed in the last three years and the new ones proposed in this year s budgets works cut at approximately Rs 27 crores Assuming the additional yield at the same—figure of Rs 27 crores for 1955-56 the total of additional *taxation raised by States over the five-year period would amount to* Rs 83 crores—or in round terms to Rs 80 crores While assessing this in terms of the target of Rs 232 crores it must be borne in mind that the transfer of Rs 80 crores over the Plan period from the Centre to the States has correspondingly relieved the States of raising that amount of funds on their own since the amount of Central assistance to be made available to States has not been diminished on this ac count If further as is suggested earlier the loan receipts of States bring in about Rs 40 crores more than the total envisaged in the Plan the shortfall remaining uncovered as against the target of Rs 232 crores of additional resources would not be so large as to discourage further effort in the direction of meeting it In fact cash balances having been attenuated and holdings of securities reduced shortfalls in States Plans can be avoided only if more determined efforts are made to increase budgetary resources

21 *To complete the picture of State finances we must now review* briefly the trend in their tax receipts and in their non-development expenditure as well as development expenditure outside the Plan The following table brings out the trend in tax revenues

(Rs C o es)

	1950-51	1951 52	1952 53	1953 54 (R E)
Share in Cent al Taxes				
Share in Central Excise	1 4	1 8	16 2	15 9
Share of Income Tax	47 7	52 7	57 0	56 9
TOTAL	49 1	54 5	73 -	72 8

State Taxes

Land Revenue	49 6	48 0	55 9	67 8
Agricultural Income Tax	4 1	4 3	3 9	3 5
State Excise	47 3	49 4	44 3	42 8
Stamps	2‥ 2	22 0	22 0	23 2
Registration	3 8	3 9	3 7	3 8
Taxes on Motor Vehicles	8 5	9 8	11 2	12 8
General Sales Tax	56 5	54 5	49 8	55 9
Sales Tax on Motor Spirit	3 5	4 5	6 0	7 5
Other Taxes & Dutie	26 4	31 0	9 ‥	28 9
TOTAL	2 1 9	227 4	226 0	‥46 1
TOTAL TAX REVENUES	71 0	281 9	299 2	318 9

In the first two years of the Plan States own tax revenues showed little increase while in 1953 54 an increase of about Rs 20 crores over the previous year s level is estimated The bulk of the increase in total tax revenues has been on account of the larger share of central taxes The major increase in State tax receipts has taken place under land revenue consequent on the abolition of Zamindari and other intermediary tenures Taxes on motor vehicles and motor spirit show increased yields but these are partly neutralised by decreases under excise and agricultural income tax

22 As against the increases in total tax earnings there have been additions to non development expenditure estimated to aggregate to about Rs 64 crores over the three year period A considerable proportion of this increase has been of an unavoidable character Rs 13 7 crores being on account of abolition of intermediaries on land Rs 18 1 crores being expenditure on famine relief and Rs 12 4 crores being increased debt service charges following upon large borrowings by the States The expenditure on development schemes outside the State Plans appears to have been about Rs 37 crores over the three years and of this only Rs 5 crores or so represents States share of expenditure on matching schemes sponsored by the Centre It is obvious that to the extent that non development expenditures and development expenditures outside the Plan have been incurred the resources available for the Plan have suffered

V— Central Assistance*

23 In the scheme of financing of State Plans originally drawn up Central assistance was assumed at Rs 229 crores Rs 197 crores for Part A and B States and Rs 32 crore for Part C States With the adjustments and additions to State Plans decided upon towards the end of last year the total amount of Central assistance to be made available has been increased by Rs 87 crores bringing up the total to Rs 316 crores This is exclusive of the loan assistance which Madras and Andhra are to receive as a special case after their constitution as separate States Of the proposed increase of R 87 crores Part A and B States are to receive Rs 83 crores and Part C States Rs 4 crores

24 Disbursements of Central assistance in the first three years and the allocations for the current year together with the five year totals each State is to receive are shown in the table below The figures are based on estimates available with Central Ministries These do not tally in all cases with the figures supplied by State Governments The discrepancies are not large and would appear to be due to time-lag between entries in the accounts at the Centre and in the States The figures shown below may be taken as broadly indicative of the disbursements made so far and the balances due

(Rs crores)

	1951 54 Total	1954 55 B E	1951 56 (Plan) Original	1951 56 (Plan) Revised
Part A States				
Assam	3 5	5 8	15 0	16 8
Bihar	3 6	4 2	15 0	23 9
Bombay	9 7	5 7	16 0	21 9
Madhya Pradesh	4 5	2 8	12 0	13 0
Madras	23 0	3 7 }	20 0	30 3
Andhra	3 8	8 9 }		
Orissa	3 4	3 0	10 0	11 2
Punjab	2 8	4 5	11 0	16 3
Uttar Pradesh	10 8	8 9	15 0	32 8
West Bengal	14 1	6 4	26 5	29 5
	79 2	53 9	140 5	195 7

Central assistance for the State Plans now covers the following —
(a) Loans advanced from the Special Development Fund
(b) Loans for Grow More Food excluding short term loans and loans for Speci l Minor Irrigation which are treated as a separate category
(c) Equipment in the form of loans for schemes included in the State Plans
(d) Loans for schemes of permanent improvement in scarcity affected areas
(e) Grants for Grow More Food exclusive of food bonus
(f) Federal Financial Integration grants
(g) Outright grants given to Madhya Bharat Pepsu Rajasthan and Saurashtra as a result of Gadgil Committee s recommendations

1	2	3	4	5
Pa t B States				
Hyd rabad	8 6	4 0	10 0	14 2
Madhya Bharat	1	1 5	4 0	7 4
Mysore	7 4	9	8 0	1 4
Pepsu	1 7	1 1	2 5	9
Rajasthan	3 1	5 4	9 0	16 0
Saurashtra	3 5	0 0	6 0	8 5
Travancore Cochin	4 0	4 2	7 0	11 0
Jammu & Kashmir	-	- 0	10 0	11 8
	33 1	-3 1	56 5	84 2
T t l Part 1 & B Stat s	11- 3	77 0	197 0	-79 9
T tal Pa t C States	10 0	8 9	31 9	35 9
GRAND TOTAL	1-2 3	85 9	-3 9	315 8

25 It will be seen that Central assistance received by States in the first three years amounted to Rs 122 crores which is about 53 per cent of the original Plan provision Although State Governments—taken in the aggregate—received Central assistance at a rate lower than the average annual rate assumed in the Plan the receipts have kept pace with the progress of expenditure on State Plans Some States like Madras have overdrawn their five-year quota In view however of the special difficulties of undivided Madras such as scarcity conditions prevailing over large parts of the State and considering the special needs of the two separate States allocations of Central assistance to them have been increased Other States which have drawn Central assistance at a faster rate than originally envisaged are Hyderabad Mysore and Uttar Pradesh On the other hand the drawings of Assam Bihar and Orissa have so far been low These States did not have sufficient loanable schemes in their Plans The position has recently been reviewed and it has been agreed that Central assistance will be made available for schemes which may not be productive in a strict sense but are nevertheless considered to be developmental The intention is that the development programmes of State Governments should not suffer for lack of sufficient Central assistance The allocations for 1954-55 have been stepped up and every effort is being made to ensure that States receive to the full the balance of Central assistance due to them this year and the next

VI—External Assistance

26 It was assumed that for financing the outlay of Rs 2 069 crores under the Plan the Central and the State Governments would find about Rs 1 258 crores from their budgetary resources After accounting for deficit financing of Rs 290 crores against releases of sterling balances the net gap in resources to be covered by external assistance additional borrowing and/or additional deficit financing was estimated at Rs 521 crores As a result of recent adjustments and additions in the size of the Plan this gap has increased to Rs 701 crores As against this authorisations of external assistance over the period April 1951—June 1954 together with the undrawn portion of the loan sanctioned by the International Bank during the pre-Plan period amount to Rs 234 crores Of this Rs 18 crores were authorised during April—June 1954 Utilisation during 1951—54 on the basis of latest information available amounted to about Rs 132 crores For the current year the budget takes credit for Rs 48 crores by way of external assistance The following table sets out briefly the extent of assistance authorised by various countries and agencies and the utilisation during the first three years of the Plan

(Rs crores)

	Authorised	Utilised (1st April to 30th March)			
		1951 54 (Total)	1951 52	1952 53	1953 54
	1		3	4	5
Loans					
U S Government (Wheat loan)	90 4	90 2	58 0	3 2	
International Bank —					
Undrawn balance of loans extended in the pre Plan period	7 1*	5 5	1 1	3 0	1 5
Steel project loan (December 195)	15 0				
Loans for Damodar Valley Project (January 1953)	5 0				
Total	11 5	95 7	59 1	35 1	

(Rs crores)

	Autho- rised	Utilised (1st April to 30th March) 1951 54 (Total)	1951 52	195 53	1953 54
	1	2	3	4	5
Grants					
U S Government (Technical Cooperation Assistance)	81 6	21 1		5 0	16 1
Grants under Colombo Plan					
From Canada	6 4	9 2	4 -	2 6	1 9
Australia	5 7	4 1	3 7		0 4
New Zealand	0 3	0 3	0 3		
Ford Found tion	2 4	1 5	0 3	1 0	0 2
Nor vegian Government (Indo-Norwegian Programme)	0 3				
TOTAL GRANTS	116 7	36 2	9 1	8 6	18 6
TOTAL Loans and Grants	234 2	131 9	68 -	43 7	-0 1

This was shown at Rs 9 0 crores in the Progress Report 1951 53 Owing to the cancellation of a portion of the outstanding bal rce as at th erd t 19 0-51 this figure now stands at Rs 7 1 crores

27 The slow utilisation of external assistance during 1951—54 is accounted for by several factors To begin with considerable delays were involved in formulation of programmes and in notifica-tion of authorisations For scheme elected in the earlier stages equipment of a complex nature was required and that was not readily available As a result authorisations made were not utilised in the same year In addition there were administrative difficulties involved in procuring materials from the contributing countries Efforts are now being made to ensure speedy utilisation of external as istance Projects are now being selected in advance and specifi cations of equipment required are also worked out simultaneously As regards procurement procedures steps have been taken to ensure that the minimum time is spent in going over specifications and tenders Officers from the projects to be assisted are being associat ed with procurement in this country and also at the headquarters of the contributing Government for ensuring early supply of equip-ment needed Taking into account the external assistance utilised so far and the amount budgeted this year the balance left over for the fifth year of the Plan will be about Rs 54 crores

VII THE OUTLOOK FOR 1954-55 AND 1955 56

28 As against the revised total of Rs 2249 crores of development expenditure to be incurred over the five years the balance remain-ing over for the current year and the next works out at Rs 1364 crores The Central and State budgets this year provide for an

expenditure of Rs 572 crores and even if his estimate is fully realised the final year of the Plan will have to aim at a further stepping up of expenditure by Rs. 220 crores over the current year's level This indicates the magnitude of the effort required financial as well as organisational

29 For financing the proposed expenditure of Rs 572 crores in 1954-55 there is according to the budget documents a shortfall of Rs 298 crores in resources available after aking into account ex ternal assistance of the order of Rs 48 crores Even allowing for the improvement in receipts from public loans the extent of deficit financing that will be needed might well be in the neighbourhood of Rs 250 crores What the resources position in 1955 56 will be cannot be estimated with precision at this stage but it is obvious that unless public revenues look up sharply and/or the amount of external assistance available is larger deficit financing of the order of Rs 400 crores next year would be required for expenditure to reach the target defined

30 The review of Plan performance and of finances attempted above has highlighted two main problems the problem of mobilising larger resources for the Plan and the problem of gearing up more effectively the machinery of administration to the concrete tasks which the Plan has envisaged Both these are difficult problems As regards the former the question is under examination in all its aspects by the Taxation Enquiry Commission and its report must be awaited before action to augment the resources of the Centre and of the States could be taken The question of improving the organisational aspects of the Plan so as to ensure quicker and more effective implementation is receiving continuous attention The factors responsible for the shortfalls in expenditure both at the Centre and in the States are being examined in detail and maximum stress is being laid on avoidance of procedural delays on expediting the execution of works in hand and on commencing work on indus trial and other projects on which little progress has so far been possible The economic situation in the country reviewed in the last Chapter has shown the need for quickening the tempo of activity through larger investments and it can be said that for the coming few months at least the problem is more one of organisation and administration than of finance There s at the present time no reason to fear that deficit financing on a larger scale will cause inflationary pressures and the foreign exchange position is such as to warrant the confidence that the additional import demands arising in consequence of the increase in money incomes as a result of deficit financing can be taken care of From all points of view therefore the implementation of the Plan to he fulle t extent

possible has to be the country's first concern The Planning Commission has considered recently the feasibility of taking up some new schemes in view of the fact that shortfalls in expenditure on some of the schemes in the Plan are likely to prove unavoidable An expenditure of Rs 12 crores has been sanctioned for a water supply programme to be executed in the States under the auspices of the Ministry of Health A programme for electrification of small towns and rural areas estimated to cost about Rs 7 crores is also being sanctioned The intention is that schemes to be undertaken now should as far as possible be capable of completion within the Plan period and should have a high employment potential

STATEMENT I—*Financing of the Plan* 1951-52 *to* 1954-55

CENTRE & STATES

(Rs crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (Revised)	1951 54 Total for 3 years	1954 55 (Budget)	1951 56 (Plan) Original	1951 56 (Plan) Revised
OUTLAY IN THE PLAN‡	*259 5*	*269 7*	*355 6*	*884 8*	*571 8*	*2958 7*	*2248 9*
(*a*) Revue Account	74 3	78 7	100 8	253 8	148 8		
(*b*) Capital Account	185 2	191 0	254 8	631 3	423 0		
BUDGETARY RESOURCES	*204 9*	*148 1*	*182 3*	*535 3*	*225 9*	*1257 5*	*1260 5*
Savings of Public authorities —							
(*a*) from current revenues	184 3 *	97 7	39 2	321 2	68 9	569 7	572 7
(*b*) from railways	37 7	23 5	14 0	75 2	17 0	1 0 0	170 0
Private Savings absorbed through —							
(*a*) loans from the public	(—)2 7	15 7	41 6	34 6	43 2†	115 0	115 0
(*b*) small savings and unfunded debt (*excluding floating debt*)	48 6	48 7	53 6	150 9	60 6	270 0	270 0
(*c*) Deposits funds and other miscellaneous sources	(—)43 0	(—)37 5	33 9	(—)46 6	36 [illegible]	132 8	13 8
GAP IN RESOURCES	*54 6*	*121 6*	*173 3*	*349 5*	*345 9*	*811 2*	*988 4*
EXTERNAL ASSISTANCE	*64 9*	*41 0*	*25 5*	*131 4*	*48 4*		
Grants	4 0	7 4	23 4	34 8	45 1		
Loans	60 9	33 6	2 1	96 6	3 3		
DEFICIT	*(—)10 3*	*80 6*	*147 8*	*218 1*	*297 6*		
Covered by —							
(*a*) Increase in floating debt	(—)32 5	4 8	77 3	49 6	268 2		
(*b*) Sale of securities held in reserve	8 6	18 7	(—)4 7	22 6	24 4		
(*c*) Withdrawal from cash balances	13 4	57 3	75 0	145 7	5 [illegible]		

* The figures shown against this item cover State trading transactions The net investment in State trading at the Centre and the States in each year is as follows —

	Centre	*State*
1951 52 (Accounts)	11 2	29 9
1952 53 (Accounts)	(—) 19 3	(—) 19 0
1953 54 (Revised)	(—) 1 6	(—) 33 2
1954 55 (Budget)	(—) 5 5	(—) 11 0

† The National Plan Loan floated during the current year is expected to bring in about Rs 60 crores more than the receipts from public loans budgeted for in the current year by the Central and State Governments Of this net increase the State Governments are expected to exceed about Rs 7 crores more than the budgeted amount of Rs 18 crores

‡ Outlays on the Plan indicated above include expenditure on development schemes for Composite Madras during the first two and a half years These are higher by about Rs 6 crores as compared to the total of the expenditure in Residuary Madras Andhra and Bellary areas during this Period as shown in the annexure Progress of development expenditure under the Plan in the States

STATEMENT II.—*Financing of the Plan 1951 52 to 1954-55*

CENTRE

(Rs crores)

	1951 52 Accounts	1952 53 Accounts	1953 54 Revised	1951 54 Total for 3 years	1954 55 Budget	1951 56 (Plan) Original	1951 56 (Plan) Revised
OUTLAY ON THE PLAN	*130 5*	*126 1*	*188 3*	*444 9*	*357 2*	*1240 5*	*1330 7*
(a) Revenue Account	5 3	7 4	19 9	32 6	53		
(b) Capital Account	125 2	118 7	168 4	412 3	303 0		
BUDGETARY RESOURCES	*120 9*	*54 2*	*26 7*	*201 8*	*69 9*	*497 2*	*410 2*
Savings of Public authorities —							
(a) from current revenues	119 6	41 4	0 1	161 1	31 8	160 0	160 0
(b) from railways	37 7	23 5	14 0	75 2	17 0	170 0	170 0
Private Savings absorbed through —							
(a) loans from the public	(—)34 2	(—)0 9	1 7	(—)33 4	25 2†	36 0	36 0
(b) small savings and unfunded debt (excluding floating debt)	48 6	48 7	53 6	150 9	60 6	270 0	270 0
(c) Deposits funds and other miscellaneous sources	(—)22 3	(—)21 8	14 4	(—)29 7	21 2	90 0	90 0
Transfer of funds from Centre to the States for development purposes (Central assistance)	(—)28 5	(—)36 7	(—)57 1	(—)122 3	(—)85 9	(—)2 8 8	(—)315 8
GAP IN RESOURCES	*9 6*	*71 9*	*161 6*	*243 1*	*286 3*	*743 3*	*920 5*
EXTERNAL ASSISTANCE	64 9	41 0	25 5	131 4	48 4		
Grants	4 0	7 4	23 4	34 8	45 1		
Loans	60 9	33 6	2 1	96 6	3 3		
DEFICIT	*(—)55 3*	*30 9*	*136 1*	*111 7*	*23 9*		
Covered by —							
Increase in floating debt	(—)32 2	(—)17 1	79 9	30 6	250 0		
(b) Sale of securities held in reserve	(—)22 2	(—)15 6	8 0	(—)29 8	—		
(c) Withdrawal from cash balances	(—) 0 9	63 6	48 2	110 9	(—)12 1		

*The figures shown against this item cover State trading transactions Th net investment in State trading at th Centre in each year is as follows —

1951 5 (Accounts)	11 .
195 53 (Accounts)	(—)19 3
1953 54 (Revised)	(—)1 6
1954 55 (Budget)	(—)5 5

†The National Plan Loan floated during the current y ar is expected to bring in about Rs 80 crores more than the receipts from public loans indicated in this statement for the current year Of the proceeds of the National Plan Loan Rs 25 crores have so far been allocated to the State Governments

STATEMENT III—*Financing of the Plan 1951 52 to 1954 55*

STATES (Including Jammu & Kashmir)

(Rs Crores)

	1951 52 Accounts	1952 53 Accounts	1953 54 Revised	1951 54 Total for 3 years	1954 55 Budget	1951 56 (Plan) Origi nal	1951 56 (Plan) Revised
OUTLAY ON THE PLAN§	*129 0*	*143 6*	*167 3*	*439 9*	*215 6*	*828 2*	*918 2*
(a) Revenue Account	69 0	71 3	80 9	221 2	95 6		
(b) Capital Account	60 0	72 3	86 4	218 7	1 0 0		
BUDGETARY RESOURCES	*84 0*	*03 9*	*155 6*	*333 5*	*156 0*	*760 3*	*850 3*
Savings of Public authorities —							
(a) from current revenues	64 7	56 3	39 1	160 1	37 1	409 7	41- 7
(b) from railways							
Private Savings absorbed through —							
(a) loans from the public	11 5	16 6	39 9	68 0	18 0†	79 0	79 0
(b) small savings and unfunded debt (excluding floating debt)							
(c) Deposits funds and other miscellaneous sources	(—)20 7	(—)15 7	19 5	(—)16 9	15 0	42 8	4 8
Transfer of funds from Centre to the States for development purposes (Central assistance)	8 5	36 7	57 1	122 3	85 9	228 8	315 8
GAP IN RESOURCES	*45 0*	*49 7*	*11 7*	*106 4*	*59 6*	*67 9*	*67 9*
Covered by —							
(a) Increase in floating debt	(—)0 3	21 9	(—)2 6	19 0	18 2	67 9	67 9
(b) Sale of securities held in reserve	30 8	34 3	(—)12 7	5- 4	-4 4		
(c) Withdrawal from cash balances	14 3	(—)6 3	26 8	34 8	17 3		

The figures shown against this item cover State trading transactions The net investment in St te trading in the States in each year is as follows —

1951 52 (Accounts)	29 9
1952 53 (Accounts)	(—)19 0
1953 54 (Pevised)	(—)33 -
1954 55 (Budget)	(—)11 0

† *In view of the floatation of the National Plan Loan the State Governments have been* advised not to approach the market for rai ing loans during the current year The Central Government has tentatively allocated about Rs 25 crores to the State Governments out of the proceeds of the National Plan Loan

§ Outlays on the Plan indicated above include expenditure on development schemes for Composite Madras during the first two and a half years These are h gher by about Rs 6 crores as compared to the total of the expenditure in Residuary Madra Andhra and Bellary areas during this period as shown in the annexure Progress of dev ture under the Plan in the States

Statement IV—*Financing of State Plans*

1 ASSAM

(Rs crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 56 (Plan) Original	1951 56 (Plan) Revis d
Expenditure on the Plan	*1 2*	*1 9*	*3 2*	*6 3*	*6 4*	*17 5*	*19 6*
Revenue Account	1 1	1 6	2 6	5 3	3 7		
Capital Account	0 1	0 3	0 6	1 0	- 7		
Budgetary Resources	- 4	0 4	1 0	3 8	(—)1 6	- 5	- 8
Balance from revenue account.	1 0	2 7	1 3	5 0	—	1 3	1 6
Loans from the public Deposits and other miscellaneous receipts on capital account	1 4	(—)2 3	(—)0 3	(—)1 2	(—)1 6	1 2	1 2
Central Assistance for the state plan	0 5	0 8	2 2	3 5	5 8	15 0	16 8
Total Resources	*2 9*	*1 2*	*3 2*	*7 3*	*4 2*	*17 5*	*19 6*
Gap in Resources	(—)*1 7*	*0 7*	—	(—)*1 0*	*2 2*		
Covered by —							
Proceeds from sale of stocks held for State trading	(—)0 4	( )2 0	0 2	(—)2 2	0 -		
Ways and means ad vances & over drafts							
Sale of securities held in reserve	(—)2 7	3 9	0 8	2 0			
Withdrawal from cash balances	1 4	(—)1 1	(—)1 1	(—)0 8	- 0		

Notes

1 The size of the Sta e Plan has been increased on account of the following adjustments and additions —

	(Rs crores)
(*i*) Upward revision in cost of Umtru Hydro-electric scheme	0 7
(*ii*) Programmes for permanent improvement in scarcity affected areas	1 1
(*iii*) Other adjustments (net)	0 3
	2 1

Expenditure on items (i) and (ii) is to be financed by increase in Central assistance and on item (iii) from the State's own resources

2 The State has gained about Rs 1 2 crores as a result of the recommendations of the Finance Commission In addition the S ate received statutory grants for scheduled areas under Article 275 amounting to Rs 2 6 crores during 1951 54 and is estimated to receive Rs 1 7 crores in 1954 55

3 Receipts from State taxes improved by Rs 0 7 crore in 1951 5- Rs 1 1 crores in 1952 53 and Rs 1 3 crores in 1953 54 over the pre Plan year This is partly explained by collection of arrears and partly by better coverage

4 Outflows under deposits and other miscellaneous receipts on capital account during 1952-53 and 1953 54 are largely the result of adjustments in 195 53 on account of inflows in the previous year under remittances and larger loans during this period to refugees and for Community Projects

STATEMENT IV —*Financing of State Plans*—contd

2 BIHAR

(Rs crores)

	1951 52 (Accounts)	1952-53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 56 (Plan) Original	1951 56 (Plan) Revised
EXPENDITURE ON THE PLAN	*13 4*	*9 6*	*9 8*	*32 8*	*16 4*	*57 3*	*66*
Revenue Account	11 0	8 0	8 6	7 6	10 2		
Capital Account	2 4	1 6	1 2	5 2	6 2		
BUDGETARY RESOURCES	5 2	3 9	6 4	15 5	4 9	32 3	32 3
Balance from revenue account	6 1	9 6	6 3	22 0	2 3	31 3	31 3
Loans from the public			1 3	1 3			
Deposits and other miscellaneous receipts on capital account.	(—)0 9	(—)5 7	(—)1 2	(—)7 8	2 6	1 0	1 ﾄ
CENTRAL ASSISTANCE' FOR THE STATE PLAN	1 0	1 1	1 5	3 6	4 2	15 0	23 9
TOTAL RESOURCES	*6 2*	*5 0*	*7 9*	*19 1*	*9 1*	*47 3*	*56 2*
GAP IN RESOURCES	*7 2*	*4 6*	*1 9*	*13·7*	*7 3*	*10 0*	*10 0*
Covered by —							
Proceeds from sale of stocks held for State trading.	(—)5 0	7 0	(—)0 1	1 9	(—)0 1		
Ways and means advances and overdrafts	(—)0 5	(—)1 9		(—)2 4	1 5		
Sale of securities held in reserve	12 7	2 6		15 3	4 9	10 0	10 0
Withdrawal from cash balances		(—)3 0	2 0	(—)1 0	1 0		

NOTES

1 The size of the State Plan has been increased on account of the following adjustments and additions —

	(Rs crores)
(*i*) Additional power schemes	6
(*ii*) Improvement of State high ways	8
(*iii*) *Programmes for permanent improvement in scarcity affected areas*	*3 5*
	8 9

The increase in expenditure on account of these adjustments is to be financed by additional Central assistance

2 The State Government has gained Rs [illegible] crores per annum as from 1952 53 on account of the recommendations of the Finance Commission

3 Land revenue increased from Rs 1 5 crores in 1950-51 to Rs 2 4 crores in 195 53 and to Rs 3 2 crores in 1953 54 For the current year it has been budgeted at Rs 3 4 crores This increase is due to abolition of Zamindari and is largely off set by increase in expenditure in this connection.

4 Receipts from general sales tax are showing a downward trend as from 1951 52 The decline during 1951 54 amounts to Rs 1 5 crores

5 The additional measures of taxation adopted by the State Government yielded about Rs 1 crore over the three-year period.

6 Outflows under deposits advances and other miscellaneous capital sources over the three-year period amounted to Rs 7 8 crores This is partly explained by larger loan accommmodation to cultivators for relieving distress on account of famine

STATEMENT IV Financing of State Plans—contd

3 BOMBAY

(Rs crores)

	1951 5 (Accounts)	195 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 56 (Plan) Original	Revised
EXPENDITURE ON THE PLAN	22 5	28 2	33 8	84 5	35 8	146 4	152 3
Re enue Account	17 1	21 5	20 6	59 2	23 4		
Capital Account	5 4	6 7	13 2	25 3	1. 4		
BUDGETARY RESOURCES	24 8	12 .	30 7	67 7	19 3	1.5 4	125
Balance from revenue account	14 6	12 2	18 1	44 9	20 9	92 4	92 4
Loans from the public	3 7	3 7	5 5	12 9		.5 0	25 0
Deposits and other miscellaneous receipts on capital account	6 5	(—)3 7	7 1	9 9	(—)1 6	8 0	8 0
CENTRAL ASSISTANCE FOR THE STATE PLAN	1 4	4 .	4 1	9 7	5 7	16 0	21 9
TOTAL RESOURCES	26 2	16 4	34 8	77 4	25 0	141 4	147 3
GAP IN RESOURCES	(—)3 7	11 8	( )1 0	7 1	10 8	5 0	5 0
Cove d by —							
Pr eeds from sale of stocks held for state trading	(—)11 7	15 1	4 8	8 2	3 6		
Ways and means advances & over drafts	0 8	(—)2 0		( )1 2			
Sale f securities held in reserve	7 8	1 5	( )5 9	3 4	4 .	5 0	5 0
Withdraw l from cash balances	(—)0 5	(—) 8		(—)3 3	3 0		

NOTES

1 The size of the State Plan has been increased on account of the follo and additions —

	(Rs crores)
( ) Irrigation schem s	1 0
ii) Programmes for permanent improvement in scarcity affected areas	4 9
	5 9

Expenditure on these items is to be financed by additional Central assistance

2 There has been marked decline in receipts from State taxes during 1951 53 due largely to lower revenue from general sales tax In 1953 54 revenue from State taxes expected at about Rs 39 crores would be larger by Rs 7 crores over the 195 53 level This is explained largely by increase in receipts of Rs 4 5 crores from general sales tax and by the increase of Rs o crores under land re enue and taxes on motor vehicles and motor spirits.

3 The following additional tax measures were adopted by the State Government during this period —

	(Rs crores) 1951 54 (Total yield)
(i) Increase in rate of motor vehicles tax from October 195	1 4
(ii) Increase in the rate of tax on the sale of motor spirit	1 6
(i i) Conversion of single point sales tax into multiple point system as from November 1952 (From April 1 1954 this has been converted into double point system)	4 5
	7 5

4 The State Government has taken no credit fo receipts from public loans d ring 1954 55 Tentative allocation of Rs 6 crores from the proceeds of the National Plan Loan has however been made for the current year

Statement IV—*Financing of State Plans*—contd

4 MADHYA PRADESH

(Rs crores)

—	1951 52 Accounts	195–53 Accounts	1953 54 Revised	1951 54 Total	1954 55 Budget	1951 56 (Plan) Original	Revised
Expenditure on the plan	*6 7*	*4 9*	*8 0*	*19 6*	*9 2*	*43 1*	*44 4*
Revenue Account	3 6	3 5	5 5	12 6	5 7		
Capital Account	3 1	1 4	2 5	7 0	3 5		
Budgetary resources	9 7	4 0	5 1	18 8	( )1 3	28 1	28 4
Balance from revenue account.	7 9	7 5	4 5	19 9	( )0 4	2‸ 6	9
Loans from the public	1 0		1 1	2 1		5 0	5 0
Deposits and other miscellaneous receipts on capital account.	0 8	( )3 5	( )0 5	( )3 2	0 9	0 5	0 5
Central Assistance for the State Plan	1 8	1 5	1 2	4 5	2 8	12 0	13 0
Total resources	*11 5*	*5 5*	*6 3*	*23 3*	*1 5*	*40 1*	*41 4*
Gap in resources	( )4 8	( )0 6	*1 7*	( )3 7	*7 7*	*3 0*	*3 0*
Covered by —							
Proceeds from sale of stocks held for State trading	( )1 0	( )1 7	5 3	2 6	0 4	—	
Ways and means advances & over drafts		( )0 1		( )0 1			
Sale of securities held in reserve	( ) 2	( )1 ɔ	( )2 5	( )6 6	7 0	3 0 (both rows)	3 0 (both rows)
Withdrawal from cash balances	( )1 7	3 1	( )1 1	0 3	0 3		

Notes

1 The size of the Plan has been increased on account of the following adjustments and additions —

	(Rs crores)
( ) Additional power projects (under discuss on with the Planning Commission)	1 0
(*i*) Welfare of backward classes	0 3
	1 3

The State Government will receive additional Central assistance of Rs 1 crore to finance the outlay involved on tem (1) above Expenditure on the welfare of backward classes is to be met from its own resources

2 The State Government has gained Ps 85 lakhs per annum as from 1952 53 on account of *the recomm ndations of the Finance Commission*

3 Receipts from State taxes as compared to the pre Plan year have increased by Rs 4 5 crores during the first three years This is largely due to ncrease in receipts from land revenue consequ nt on the levy of Kotwari cess and abol tion f Malguzaris and Zamindaris The increase in receipts however has been c ffset by larger expenditure in connection w th the latter measure

4 The decl ne n the State s avings from current revenues in 1953 54 as compared to previous years is largely du to increase in expenditu e of Rs 2 5 crores on schemes co ered ne ther by the State Plan nor by schemes sponsored by the Centre on m tching basis

5 The outflo s under deposits and other m scellaneous rece pts on cap tal accoun during 1952-53 are planned mainly by payment f compensation amounting to Rs 2 8 crores to Zam ndars and repayment of Central loans

6 No cred t f r receipts on account of public loans has been taken in the current budget A tentati e allocation of Rs 1 cr re has however been made to the State G ment out of the proceeds of the National Plan Loan

STATEMENT IV —Financing of State Plans—contd

5 MADRAS

(Rs crores)

	Compos't Madras					I sid ary Madras			
	1951 5 Account	1952 53 A counts	1953 54 F rst Six months Accou ts	T tal 2- /2 Years	Pl n 951 56	1953 54 Sec d Si month Revised	1954 55 B d-et	Pl n 19 1 56	Revised Plan 195 56
EXPENDITURE ON THE PLAN	29 1	31 2	10 1	70 4	140 8	10 0	16 8	78 8	83 6
Revenue Account	9 4	7 2	3 2	19 8		3 6	5 4		
Capital Account	19 7	24 0	6 9	50 6		6 4	11 4		
BUDGETARY RESOURCES	1 3	3 0	( )10 6	( )6 3	93 8	10 1	11 4		
Balance from revenue Account	3 -	( )3 8	( )5 8	( )6 4	76 8	3 9	4 9		
Loans from the public	3 0	5 3	1 9	10 2	17 0	6 2			
Deposits and other miscellaneous receipts on capital account.	( )4 9	1 5	( )6 7	( )10 1			6 5		
CENTRAL ASSISTANCE FOR THE STATE PLAN	8 6	9 2	3 2	21 0	20 0	- 0	3 7		
TOTAL RESOURCES	9 9	12 2	( )7 4	14 7	113 8	12 1	15 1		
GAP IN RESOURCES	19 2	19 0	17 5	55 7	27 0	( )2 1	1 7		
Covered by —									
Proceeds from sale of stocks held for State trading	2 5	( )10 5	10 5	2 5		( )0 4	0 7		
Ways and means advances & overdrafts	( )2 0	15 0	7 0	20 0					
Sale of securities held in reserve	18 6	14 5		33 1	}				
Withdrawal from cash balances					} 27 0	( )1 7	1 1		

NOTES

1 Progress of expenditure during the first two and a half years covers outlay on development schemes in the areas of Residuary Madras Andhra and Bell ry

2 Outlay on development schemes in Re iduary M..dras area ccording to the original Plan amounted to Rs 78 8 crores On account of recent adjustments and additions the State Plan of Residuary Madras has been increased by Rs 4 8 crores as indicated below —

	(Rs crores)
(i) *Additional irrigation and power projects*	- 9
(ii) Programmes for permanent improvement in scarcity affected areas	- 9
(iii) Other adjustments	(—)1 0
	4 8

Expenditure on items (i) and (ii) to the extent of Rs 5 crores is to be financed by additional Central assistance

3 The Composite State of Madras received Rs 1 crores by way of Central assistance during the first two and a half years as compared to the original allocation of Rs 20 crores for the five-year period *In addition the State* Government ob ained ways and means advances of the order of Rs 32 crore from the Central Government during this period

4 The State Government liquidated its cash and investment reserves to the extent of Rs -7 crores in the first two and a half years as compared to Rs -7 crores assumed for the five year period

5 Increase in savings from current revenues of Residuary Madras is explained mainly by improvement in scarcity conditions prevailing in the State during the previous years

6 The State Government has been tentatively allocated Rs 5 crores from the proceeds of the National Plan Loan In view of this the State Government has been advised not to approach the market for raising loans in the current year

Statement IV—*Financing of State Plans*—contd

6 ANDHRA

(Rs crores)

	1951 52 (Accounts)	1952 53 (Accounts)	Oct 1953—March 1954 (Revised)	1953 54 (Total)	1954 55 (Budget)	1951 56 (Plan) Original	1951 56 (Plan) Revised
Expenditure on the Plan			*4 8*	*4 8*	*14 8*	*54 6*	*63 7*
Revenue Account			1 2	1 [illegible]	2 4		
Capital Account			3 6	3 6	1[illegible] 4		
Budgetary Resources			(—)0 5	(—)0 5	1 4		
Balance from revenue account			0 6	0 6	(—)0 8		
Loans from the public			2 4	[illegible]	3 0		
Deposits and other miscellaneous receipts on capital account			(—)3 5	(—)3	(—)0 8		
Central Assistance for the State Plan			3 8	8	8 9		
Total Resources			*3 3*	*3 3*	*10 3*		
Gap in Resources			*1 5*	*1 5*	*4 5*		
Covered by —							
Proceeds from sale of stocks held for State trading			1 7	1 7	(—)0 2		
Ways and means advances and over drafts					4 5 }		
Sale of securities held in reserve					}		
Withdrawal from cash balances			(—)0 2	(—)0 2	0 [illegible] }		

Notes

1 Progress of expenditure on development schemes in Andhra area for the first two and a half years or Rs 6 crores has been included in the outlay under the Plan for Composite Madras for this period

2 The size of the development programme in Andhra area originally amounting to Rs 54 6 crores has now been revised to Rs 63 7 crores on account of adjustments and additions Of this increase Rs 5 crores is on account of programmes of improvement in scarcity affected areas and is to be financed entirely by the Centre

3 Central assistance allocated to Composite Madras for the five year period was drawn in full in the first two and half years The amounts allocated for the second half of 1953 54 and the current year are in addition to that amount

4 The State Government received during October 1953—March 1954 Rs 2 crores as its share of the unspent balance of loan raised by Composite Madras from the public in the first half of 1953 54 Credit has been taken for Rs 3 crores by way of receipts from public loans in current year's budget estimates Tentative allocation to the State Government from the proceeds of the National Plan Loan amounts to R[illegible] crores

STATEMENT IV—*Financing of State Plans*—contd

7 ORISSA

(Rs crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 56 (Plan) Original	Revised
EXPENDITURE ON THE PLAN	*2 4*	*2 7*	*3 3*	*8 4*	*4 8*	*17 8*	*19 2*
Revenue Account	1 8	2 0	- 3	6 1	1 8		
Cap tal Account	0 6	0 7	1 0	2 3	3 0		
BUDGETARY RESOURCES	3 1	3 2	0 9	7 2	1 2	7 8	8 0
Balance from revenue account	2 4	3 1	(—)0 1	5 4	1 0	7 3	7 5
Loans from the public							
Deposits and other miscellaneous receipts on capital account	0 7	0 1	1 0	1 8	0 2	0 5	0 5
CENTRAL ASSISTANCE FOR THE STATE PLAN	1 3	0 7	1 4	3 4	3 0	10 0	11 2
TOTAL RESOURCES	*4 4*	*3 9*	*2 3*	*10 6*	*4 2*	*17 8*	*19 2*
GAP IN RESOURCES	*—2 0*	*(—)1 2*	*1 0*	*(—)2 2*	*0 6*		
Co c ed by —							
Pr ceeds from sale of t cks held for State trading	0 1			0 1	(—)0 5		
Ways and means advances a id over drafts	(—)1 1			(—)1 1			
Sale of securities held in reserve	0 1	0 1	(—)0 8	(—)0 6	0 7		
Withdrawal from cash balances	(—)1	(— 1	1 8	(— 0 6	0 4		

NOTES

1 The size of the Plan has been increased on acc unt of the following adjustments and add tions —

	(Rs crores)
(*i*) Increase in expenditure in connection with Duduma trans mission lines	0 5
(*ii*) Adjustments and add tions on account of programmes for r lieving unemployment	0 7
(*i i*) Other adjustments	0 -
	1 4

Additional Central assistance for financing these schemes amounts to Rs 1 - crores the balance is to be met from State s own esources

- The State Government has ga ned about Rs 1 7 crores per annum as from 1952 53 on account of the recommendations of the Finance Commission

3 Receipts from State taxes as compared to the pre Plan year have increased by about Rs 0 9 crore during this period The increase is largely due to the enhancement of rates of general sales tax in 1951 The increases registered under other heads like land revenue and stamps have been off set by decline in receipts from State excise

4 The declin in the State s savings from current revenues in 1953 54 is due mainly to increase in expend ture over the 1952 53 le l on the following items —

	(Rs crores)
(*i*) General administration	0 3
(*ii*) Transfers to various State funds	0 7
(*iii*) Development expenditure outside the Plan	1 4

Statement IV—Financing of State Plans—contd

8 PUNJAB

(Rs Crores)

	1951 52 (Ac counts)	1952 53 (Ac counts)	1953 54 (Re vised)	1951 54 (Total)	1954 55 (Bud et)	1951 56 (Plan) Or gi nal	Revised
Expenditure on the Plan	*2 1*	*2 2*	*5 6*	*9 9*	*8 7*	*20 2*	*27 3*
Revenue Account	0 7	0 8	1 0	2 5	1 4		
Capital Account	1 4	1 4	4 6	4	7 3		
Budgetary Resources	(—)3 5	(—)3 9	(—) 4	(—)9 8	0 6	8 6	10 4
Balance *from revenue* ac ount	2 3	7	*1 1*	6 *1*	0 4	*1 1*	*9*
Loans from the pub lic							
Deposits and other m scellan ous re ce pts in cap tal ac ount	(—)5 8	(—)6 6	(—)3 5	(—)15 9	0 2	7 5	7 5
Central Assistance for the State Plan	0 1	0 7	~ 0	2 8	*4 5*	*11 0*	*16 3*
Total Resources	(—)*3 4*	(—)*3 2*	(—)*0 4*	(—)*7 0*	*5 1*	*19 6*	*26 7*
Gap in Resources	*5 5*	*5 4*	*6 0*	*16 9*	*3 6*	*0 6*	*0 6*
Co ered by —							
Proceeds f om sale of stock *held for* State trad n	(—) 2	1 5	2 0	1 3	(—)0 1		
Ways and means ad vances and over drafts							
Sale of secu ities held in reserve	(—)0 5	(—)0 5	(—)0 1	(—)1 1	3 0	0 6 (Sale of securities and Withdrawal, together)	0 6 (Sale of securities and Withdrawal, together)
Withdrawal from cash balances	8 2	4 5	4 1	16 8	0 7		

Notes

1 On account of recent adjustment and additions the s ze of the State Plan has been increased by Rs 7 1 crores to Rs 7 3 crores Of this increase Rs 5 3 crores is to be *financed f om addit onal Central ass stance and the balance from the State s own re* sources

2 The State Gove nment has gained about Rs 40 lakhs per annum as f om 1952 53 on account of the recommendations of the Finance Commiss on

3 Receipts f om State taxes as compared to pre Plan year have n reased by Rs 6 crores dur ng the fir t three years This is l gely attr butable to increas s registered under land revenue State excise and to the enforcem nt of the Punjab Pas sengers and Goods *Taxation Act 1952*

4 The Stat Government raised about Rs 1 crore dur ng this period by way of add tional m asures of taxation.

5 Heavy outflows under deposits and advances are larg ly on account of repay ment of Central loans amount ng to about Rs 9 5 cro es du in th s pe iod as against the assumed annual average of Rs 80 lakhs and out goes under remittances as a result of settlement of accounts carried *over from the pre Plan period*

9. UTTAR PRADESH

(Rs Crores)

	1951 52 (Accounts)	195 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 56 (F— Original	Revised
EXPENDITURE ON THE PLAN	*15 5*	*19 4*	*23 7*	*58 6*	*28 2*	*97 8*	*114*
Revenue Account	9 2	9 2	9 5	-7 9	10 8		
Capital Account	6 3	10 -	14 -	30 7	17 4		
BUDGETARY RESOURCES	12	15 7	11 4	39 3	10 1	8 8	81 6
Balance from revenue account	8 9	6 1	(6	-1 6	6 5	71 3	70·1
Loans from the public	2 0	5 6	5 7	13 3	6 0	5 0	5 0
Deposits and other miscellaneous receipts on capital account.	1 3	4 0	(—)0 9	4 4	(—) 4	6 5	6 5
CENTRAL ASSISTANCE FOR THE STATE PLAN	2 4	1 7	6 7	10 8	8 9	15 0	32 8
TOTAL RESOURCES	*14 6*	*17 4*	*18 1*	*50 1*	*19 0*	*97 8*	*114 4*
GAP IN RESOURCES	*0 9*	*2 0*	*5 6*	*8 5*	*9 2*		
Covered by —							
Proceeds from sale of stocks held for State trading	(—)3 3	0 5	5 8	3 0	3 5		
Ways and means advances and overdrafts	(—)0 6		(—)0 2	(—)0 8			
Sale of securities held in reserve	(—)2 1	8 9	(—)5 2	1 6	5 0 }		
Withdrawal from cash balances	6 9	(—)7 3	5 2	4 8	0 7 }		

NOTES

1 The size of the Plan has been increased on account of the following adjustments and additions —

	(Rs Crores)
(i) T C A tubewells	10 7
(ii) Programmes for permanent improvement in scarcity affected areas	7 1
(iii) Downward adjustments in the existing schemes	(—)1 -
	16 6

Expenditure on items (i) and (ii) is to be met by additional Central assistance

2 The State Government has gained about Rs 3 crores per annum as from 1952 53 on account of the recommendations of the Finance Commission

3 Receipts from State taxes as compared to the pre Plan year have increased by Rs 15 8 crores during the three year period This is mainly due to increase in receipts of Rs 15 crores from land revenue consequent on the abolition of Zamindari This increase has however been largely offset by expenditure connected with this measure and also transfers to the Zamindari Abolition Fund

4 The State Government has raised Rs 3 3 crores by way of additional measures of taxation during this period

5 Credit for Rs 6 crores from public loans has been taken in the current year's budget Tentative allocation to the State Government from the proceeds of the National Plan loan amounts to Rs 3 crores

STATEMENT IV—*Financing of State Plans*—contd

10 WEST BENGAL

(Rs Crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 56 (Plan) Original	1951 56 (Plan) Revised
EXPENDITURE ON THE PLAN	*10 2*	*12 1*	*14 3*	*36 6*	*15 6*	*69 1*	*72 1*
Revenue Account	5 7	5 8	7 0	18 5	8 5		
Capital Account	4 5	6 3	7 3	18 1	7 1		
BUDGETARY RESOURCES	7 0	4 1	(—)0 8	10 3	(—)3 8	42 6	42 6
Balance from revenue account.	6 4	3 9	(—)4 4	5 9	(—)5 1	27 6	27 6
Loans from the public	1 8	2 0	3 6	7 4	4 0	10 0	10 0
Deposits and other miscellaneous receipts on capital account	(—)1 2	(—)1 8		(—)3 0	(—) 7	5 0	5 0
CENTRAL ASSISTANCE FOR THE STATE PLAN	3 0	3 9	7 2	14 1	6 4	26 5	29 5
TOTAL RESOURCES	*10 0*	*8 0*	*6 4*	*24 4*	*2 6*	*69 1*	*72 1*
GAP IN RESOURCES	*0 2*	*4 1*	*7 9*	*12 2*	*13 0*		
Covered by —							
Proceeds from sale of stocks held for State trading	0 4	1 9	0 4	2 7	0 5		
Ways and means advances & overdrafts	(—)0 3	0 5		0 2	12 4		
Sale of securities held in reserve		2 0		2 0			
Withdrawal from cash balances	0 1	(—)0 3	7 5	7 3	0 1		

NOTES

1 The size of the Plan has been increased on account of the following adjustments and additions —

(Rs Crores)

(i) Construction of houses for Government employees and private citizens	1 5
(ii) Increase in transport facilities	0 3
(iii) Programmes for permanent improvement in scarcity affected areas	1 0
(iv) Others	0 2
	3 0

Increase in expend ture on account of these additions is to be financed by additional Central assistance

2 The State Government has gained as from 195 53 Rs 2 crores per annum as a result of the recommendations of the Finance Commission

3 Receipts from State taxes as compared to 1950-51 have increased by Rs 1 4 crores during the three-year period This i explained partly by increas in r*tes of taxes on motor vehicles which yielded about Rs 0 6 crore and partly by larger yield of Rs 0 5 crore from sales tax due to tightening up of administration

4 The State s expenditure on famine relief and on sale of subsidized foodgrains increased by Rs 3 4 crores in 1953 54 as compared to the 1951 52 level Development expenditure not covered by the State Plan also increased by Rs 6 9 crores during the year This largely accounts for the shortfall in 1953 54 of the States savings from current revenues for the Plan

5 Outflows under depos ts and other miscellaneous rece pts on cap tal account are explained by the settlement of transactions carried over from the pre Plan period

6 The State Governm nt has taken cred t for rece pts of Rs 4 crores from publ c loans In v ew of the National Plan Loan the State Government has been advised not to approach the market but will receive the amount out of the proceeds of the National Plan Loan

STATEMENT IV—*Financing of State Plans*—contd

11 HYDERABAD

(Rs crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 56 (Plan) Original	1951 56 (Plan) Revised
EXPENDITURE ON THE PLAN	*6 6*	*6 2*	*8 3*	*21 1*	*9 5*	*41 6*	*45 8*
Revenue Account	0 9	0 7	1 3	2 9	1 5		
Capital Account	5 7	5 5	7 0	18 _	8 0		
BUDGETARY RESOURCES	7 5	(—)0 5	(—)1 7	5 3	2 4	24 6	-4 6
Balance from revenue account	2 5	- 0	(—)0 4	4 1	0 1	17 0	17 0
Loans from the pub 1 c			3 3	3 3		6 0	6 0
Deposits and other miscellaneous receipts on cap tal account	5 0	(—)2 5	(—)1 6	(—) 1	3	1 6	1 6
CENTRAL ASSISTANCE FOR THE STATE PLAN	1 6	3 5	3 5	8 6	4 0	10 0	14 2
TOTAL RESOURCES	*9 1*	*3 0*	*1 8*	*13 9*	*6 4*	*34 6*	*38 8*
GAP IN RESOURCES	*(—)2 5*	*3 2*	*6 5*	*7 2*	*3 1*	*7 0*	*7 0*
Covered by —							
Proceeds from sale of stocks held for State trading	(—)0 6	1 0		0 4			
Ways and means d vances & ove draft	0 1			0 1			
Sale of securities held in reserve							
Withdrawal from cash balances	(—)2 0	2 2	6 5	6 7	3 1	7 0	7 0

NOTES

1 The size of the Plan has been increased on acc unt of the following adjustments and additions —

	(Rs crores)
(i) Roads	1 2
(ii) Programmes for permanent improvement in scarcity affected areas	3 0
	4 2

Increase on account of these additions is to be financed by add tional Central assistance

2 The State Government has gained Rs 3 crores per annum as from 195 53 on account of the recommendations of the Finance Commission

3 Receipts from State taxes have shown a downward trend during 1951 54 Increase in revenue from sales tax has been more than offset by decline in receipts from internal customs Receipts from State excise have also shown a downward tend ncy

4 Additional measures of taxation adopted by the State Government yielded about Rs 0 3 crore during 1951 54

5 The decline in balance from revenue account in 1953 54 as compared to the previous year is explained by increase in non-d velopment expenditure of about Rs 0 5 crore on account of increase in d bt charges and increase f about Rs 1 crore in non-Plan expenditure under development heads

6 Inflow of Rs 5 0 crores in 1951 5- under deposits and other m scellaneous receipts on capital account is explained by the settlement of transactions under suspense account carried forward from the pre Plan period Outflows of Rs 7 1 crores under this head during 195 53 and 1953 54 are largely attributable to increase in *taccat* and other loans to ag iculturists and by a loan of Rs 5 crores advanced to the Hyd rabad State Bank in 1953 54

STATEMENT IV—*Financing of State Plans*—contd

12 MADHYA BHARAT

(Rs crores)

	1951 52 (Ac counts)	1952 53 (Ac counts)	1953 54 (Re vised)	1951-54 (Total)	1954 55 (Budget)	1951 56 (Plan)	
						Origi nal	Revised
EXPENDITURE ON THE PLAN	*1 8*	*2 5*	*3 9*	*8 2*	*5 7*	*22 4*	*23 5*
Revenue Account	1 0	1 4	2 6	5 0	4 3		
Capital Account	0 8	1 1	1 3	3 2	1 4		
BUDGETARY RESOURCES	1 4	(—)0 6	2 7	3 5	2 8	13 4	11 1
Balance from revenue account	0 8	0 8	1 4	3 0	2 3	12 0	10 1
Loans from the pub lic			1 1	1 1			
Deposits and other miscellaneous re ceipts on capital account	0 6	(—)1 4	0 .	(—)0 6	0 5	1 0	1 0
CENTRAL ASSISTANCE FOR THE STATE PLAN	0 4	0 7	1 0	. 1	1 5	4 0	7 4
TOTAL RESOURCES	*1 8*	*0 1*	*3 7*	*5 6*	*4 3*	*17 4*	*18 5*
GAP IN RESOURCES		*2 4*	*0 2*	*2 6*	*1 4*	*5 0*	*5 0*
Covered by —							
Proceed from sale of stocks held for State trading	(—)0 4	2 6		2 2	0 1		
Ways and means ad vances and over dr fts		0 6		0 6	1 0		
Sale of securities held *in* reserve	0 5	(—)0 4		0 1		5 0	5 0
Withdra val from cash balances	(—)0 1	(—)0 4	0 2	(—)0 3	0 3		

NOTES

1 The size of the Plan has been increased on account of the follow ng adjustments and add tions —

	(Rs crores)
( ) Additional power projects	0 6
(ii) Additional roads programme	0 8
(i i) Adjustments und r original schemes	(—)0 3
	1 1

The outlay of Rs 1 4 crores on account of items (*i*) and (*i*) above is to be fina ced by addit onal Central assistance

Central assi tance originally allocated to the State Government has been increased by Rs 2 crores in view of the State s additional financial requirements

3 The State Government has ga ned Rs 1 4 crores per annum as from 195 53 on account f the recommendations of the Finance Commission As a result of the *G d il* Committee s Award the State Go ernment has been allocated an add tional amount of Rs 2 crores by way of grants Of this Rs 1 crore is to be adjusted against the Central loan assistance for the Plan and the balance of Rs 1 crore has to be t eated as an *ad hoc* g ant

4 Receipts from State ta es as compared to pre Plan year have increased by Rs 2 crores over the three year period The increas has la gely taken place under land re venue and g neral sales tax Larger receipts f m these sou ces ho vever have been off set by ncrease in expend *ture in connecti n* with Zam nd ri abol t on and decline in rece pts from int rnal customs

5 Addit onal m asut s of taxat on adopted during the three years contributed about Rs 4 crores

6 No credit h s been taken for rece pts on account of public loans in the current year s budget Tentat ve allo ation of Rs 1 crore from the proceeds of the N tional Plan Loan has been made to the State Government for th s year

Statement IV —*Financing of State Plans*—contd

13 MYSORE

(Rs crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951-56 (Plan) Original	1951-56 (Plan) Revised
Expenditure on the Plan	*5 4*	*6 5*	*7 1*	*19 0*	*9 4*	36 6	4-
Revenue Account	2 3	2 3	2 7	7 3	3 0		
Capital Account	3 1	4 2	4 4	11 7	6 4		
Budgetary Resources	3 3	(—)0 7	2 0	4 6	3 1	27 1	31
Balance from revenue account	1 6	2 9	0 2	4 7	(—)0 1	13 1	14 1
Loans from the public			3 4	3 4	3 0	9 0	9
Deposits and other miscellaneous receipts on capital account	1 7	(—)3 6	(—)1 6	(—)3 5	0 -	5 0	
Central Assistance for the State Plan	2 5	2 0	2 9	7 4	- 9	8 0	12
Total Resources	*5 8*	*1 3*	*4 9*	*12 0*	*6 0*	*35 1*	*41*
Gap in Resources	(—)0 *4*	*5 2*	*2 2*	*7 0*	*3 4*	*1 5*	*1*
Covered by —							
Proceeds from sale of stocks held for State trading	0 3	(—)0 4	3 2	3 1	1 5		
Ways and means advances and overdrafts		3 4	(—)3 4				
Sale of securities held in reserve	(—)0 2	0 9	1 3	2 0		1 5 (with next row)	1 5 (with next row)
Withdrawals from cash balances	(—)0 5	1 3	1 1	1 9	2 0		

Notes

1 The size of the Plan has been increased on account of the following adjustments and additions

	(Rs crores)
(i) Government Porcelain Factory	0 6
(ii) Development schemes in Bellary area to be financed during October 1953 March 1956	1 7
(iii) Programmes for permanent improvement in scarcity affected areas	3 5
(iv) Other additions	0 3
	6 1

Of this increase the Central Government will make available Rs 4 4 crores way of additional assistance and the balance is to be financed by the State s own resources

- The revised Plan 1951 56 as shown here is exclusive of expenditure of abou Rs 4 1 crores incurred on development schemes in Bellary area during the first two and a half years of the Plan

3 As the State s share of divisible taxes worked out by the Finance Commission is less than the guaranteed revenue gap grant the State continues to receive th latter In addition it receives a general grant in-aid of Rs 40 lakhs per annum as from 195 53

4 The State Government raised about Rs 1 0 crore by way of additional measures of taxation during the first three years of the Plan This increase however has largely been off set by declin in receipts from land revenue and State excise during this period

5 The decline in the State s savings from current revenues during 1953 54 is mainly accounted for by a fall of Rs 1 2 crores in net receipts from C commercial undertakings and by increases in non development expenditure not by the State Plan

6 Credit has been taken for a receipt of Rs 3 crores from public loans in current year s budget Tentative allocation to the State Government from the proceeds of the National Plan Loan amounts to Rs 1 5 crores

Statement IV —*Financing of State Plans*—*contd*

14 PEPSU

(Rs crores)

	1951 5 (Accounts)	195 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951 52 (Plan) Original	Revised
xpenditure on the Plan	0 7	1 0	1 9	3 6	2 2	8 1	9 2
Revenue Account	0 4	0 6	1 0	2 0	0 7		
Capital Account	0 3	0 4	0 9	1 6	1 5		
udgetary Resources	1 3	1 1	0 1	- 5	0 -	4 1	4 8
Balance from revenue account	1 6	1 3	0 6	3 5	0 2	3 6	4 3
Loans from the public							
Deposits and other miscellaneous receipts on capital account	(—)0 3	(—)0 -	(—)0 5	(—)1 0		0 5	0 5
entral Assistance r the State Plan	0 4	0 4	0 9	1 7	1 1	2 5	2 9
otal Resources	1 7	1 5	1 0	4 2	1 3	6 6	7 7
ap in resources	(—)1 0	(—)0 5	0 9	(—)0 6	0 9	1 5	1 5
Covered by —							
Proceeds from sale of stocks held for State trading	(—)0 4	0 4	(—)0 -	(—)0 -	0 4		
Ways and m ans ad vances and over drafts							
Sale of securities held in re erve	(—)0 5	(—)0 6	(—)1 0	(—)2 1	(—)0 2	1 5	1 5
Withdraw l from each balances	(—)0 1	(—)0 2	2 1	1 8	0 7		

Notes

1 The size of the Plan has been increased on account of the following adjustments and additions —

	(Rs crores)
(i) Medical college	0 6
(ii) Additional roads programme	0 9
(iii) Downward adjustments in 1952 Plan	(—)0 4
	1 1

Additional Central ass stance of Rs [0 4 crore has to be m d ava l bl to cover part of the expenditure connected with tl e addition l roads programme The balance of the ncrease is to be financed from St te s own resources

2 The Saate Government has gained Rs 49 lakhs p r annum as f om 195 53 on account of the recommenations of the Finance Commission The State has also g ined Rs 1 1 crores by way of grants as a result of the G dgil Committee s Award Of th s Rs 50 lakhs will be adjusted against Central loan as istance fcr the State Plan and Rs 60 lakhs would be given to the State Government as an *d hoc* grant

3 Net outflow of Rs 1 crore under depos ts and other m scellaneous receipts on capital account during 1951 54 is accounted for by larger lo n accommodation to cultivators d s placed person and to the PEPSU Dev lopment Board

4 The improvement in receipts from St te taxes over the 1 50-51 level mounted Rs 1 3 crores for the three year period Add tional measures of taxat on contri about Rs 20 lakhs

Statement IV—Financing of State Plans—contd.

17 TRAVANCORE-COCHIN

(Rs. crores)

	1951 52 (Accounts)	1952 53 (Accounts)	1953 54 (Revised)	1951 54 (Total)	1954 55 (Budget)	1951-56 (Plan) Original	1951-56 (Plan) Revised
Expenditure on the Plan	4 1	4 7	4 6	13 4	5 8	27 3	31 4
Revenue Account	1 3	1 5	1 2	4 0	2 7		
Capital Account	[illegible] 8	3 [illegible]	3 4	9 4	3 1		
Budgetary Resources	5 6	0 5	5 1	11 2	2 0	18 3	18 4
Balance from revenue account.	5 [illegible]	1 8	1 9	8 9	1 1	14 3	14 4
Loans from the public			3 3	3 3		2 0	2 0
Deposits and other miscellaneous receipts on capital account.	0 4	(—)1 3	(—)0 1	(—)1 0	0 9	2 0	2 0
Central Assistance for the Satte Plan	0 4	0 2	3 4	4 0	4 2	7 0	11 0
Total Resources	6 0	0 7	8 5	15 2	6 2	25 3	29 4
Gap in Resources	(—)1 9	4 0	(—)3 9	(—)1 8	(—)0 4	2 0	2 0
Covered by—							
Proceeds from sale of stocks held for State trading	(—)3 8	(—)0 8		(—)4 6	1 0		
Ways and means advances and over drafts.		5 1	(—)4 0	1 1	(—)1 0	..	—
Sale of securities held in reserve	(—)0 1	0 3	(—)0 4	(—)0 2	(—)0 7	2 0 (with next row)	2 0 (with next row)
Withdrawal from cash balances	2 0	(—)0 6	0 5	1 9	0 3		

Notes

1 The size of the Plan has been increased on account of the following adjustments and additions —

	(Rs crores)
(i) Revision in cost estimates of existing irrigation schemes	1 0
(ii) Additional power schemes	1 5
(iii) Other schemes	1 6
	4 1

Expenditure involved in these increases is to be met by additional Central assistance.

2 The State s share of Central taxes and the general Grants in aid fixed by the Finance Commission together being lower than the revenue gap grant the State continues to receive the latter

3 Receipts from State taxes as compared to the 1950-51 level were higher by about Rs [illegible] 7 crores over the three year period

4 The State Government raised Rs 3 7 crores by way of additional measures of taxation adopted during the first three years of the Plan

5 The outflows under deposits and other miscellaneous receipts on capital account during 1952 53 are largely attributable to State s transactions with the Centre and the State Governments

Chapter III

AGRICULTURE

Land Utilization Statistics—The Five Year Plan was drawn up on the basis of provisional statistics regarding the use of land relating to the year 1949 50 At that time statistics were available for only about 615 million acres or 75 8 per cent of the total of about 811 million acres forming the geographical area of the Indian Union Provisional statistics for 1951 52 are now available These cover nearly 704 million acres or about 87 per cent of the total geographical area Thus the gap not covered by statistics has been reduced from 24 2 per cent to 13 per cent The data for 1949 50 and 1951 52 are compared below —

(Area in million acres)

Cla s ficat on	1949 50 Area	1951 5 Area	Increas in 1951 5 ov r 1949 50	/ to he tot l reporting a ea dur ng 1949 50	to th total reportin area under 1951 52
1	2	3	4	5	6
Tot l geograph cal area	810 8	810 8			
Total reporting area	614 6	03 8	89 2	100 0	100 0
Fo est	93 1	109 9	16 8	15 0	1 6
N t ava lable for cultiv tion	96 0	11 3	16 3	16 0	16 0
Other unculti a ted land exclu ding current fallows	98 4	112 9	14	6 0	16 04
Current fallows	58 2	69	11 0	9 0	9 83
Net area sown	266 4	296 4	0 0	43 0	42 11

Thes provisional figures we e used in the F nal Repo t The M nistry later ued revised data according to which 679 mill n cres were reported

2 It will be seen from the above table that out of the additional 2 million acres for which information is now available 30 0 million acres have been classified as net area sown in the village

P C

papers and 11 0 million acres as 'current fallows' but the ... portion of the additional area has been classified under the sub-... not available for cultivation and other uncultivated land ex... ing current fallows The addition to the cultivated area (net sown plus 'current fallows) comes to 41 million acres but percentage of cultivated area to the total area for which stat... are available has remained practically unaltered at 52 per cent

3 The States in which there have been large increases in areas reported in the village papers are Rajasthan Mysore Sa... tra and Kutch as shown below —

(Million acres)

State	1949 50	1951 52	Increase in 1951 52 over 1949 50
Rajasthan	20 7	76 3	55 6
Mysore	17 4	19 9	2 5
Saurashtra	1 4	5 8	4 4
Kutch	5 0	10 9	5 9
TOTAL	44 5	11 9	68 4
All India	614 6	703 8	89 2

4 Even though there has been considerable improvement the coverage of land utilisation statistics there are still very areas not reported in Assam Manipur Saurashtra Jammu Kashmir and the Andamans If these five States are excluded percentage of the reporting area to the total geographical are 97 per cent

5 *Targets of Production and Achievements*—At the beginn... of the Plan period the production of both food grains and of principal commercial crops was insufficient to meet the requireme... of the country In the case of food grains alone the deficit in at the then existing levels of population and consumption was ...timated at about 3 million tons To overcome or reduce deficiencies the following increa es of production were planned

	Quantity (in millions)	Percentage increase
Food grains	7 6 tons	14
Cotton	1 26 bales	42
Jute	2 09	63
Oilseeds	0 40 tons	8

Except food grains the above targets are related to the ar 1950 51 as base For food grains 1949 50 ha been eated as the base year becausc 1950-51 was below nor al In the following paragraph figures are given to show the xtent to which these targets had been realized in the third year the Plan Broadly speaking it may be said that the production jute and sugarcane has lagged behind the schedule whereas in le case of food grains cotton and oilseeds we have either achieved nearly achieved the targets set in the Plan

6 *Food grains*—The total annual production of food grains and he net increase or decrease over the base year are given in the ollowing table —

(M ll on tons

Year	Total product on of food gr ns	Add tional product o
1949 50	54 00	
1951 52	5 30	—1
1952 53	58 40	4 4
1953 54	65 0	11 4

Compared to the base year the production in 1953 54 shows an crease of 11 4 million tons or 21 per cent Thus the five year rget of an additional 7 6 million tons of food grains has been ceeded by 3 8 million tons during the third year of the Plan

7 In the table below the increases in the principal food crops are mpared with the targets for 1955 56 —

(Million tons)

	Target of Additional Product on	Addit nal Production in 1953 54
Rice	4 00	4 5
Wheat	2 00	0 65
Othe cereals	0 60	5 17
Cram and pulses	1 00	1 30
TOTAL	7 60	11 37

It will be seen that the largest increases have been in rice and other cereals whereas the increase in wheat is comparatively mall and still well short of the target set for 19.5 56

Acco d ng to the fourth estimate

8 *Imports and Prices*—The large increases in the foodgrains have greatly reduced dependence on imports. following table indicates the magnitude of the reduction and consequent savings of foreign exchange —

Year	(Million tons) Quantity imported	Reduction in quantity as compared with previous year	Value (Rs in crores)	(Rs crore
1951	4 7		216	6
1952	3 9	0 8	210	1
1953	2 0	1 9	86 0	

The quantities to be imported during the current year— million tons—will be utilised for building up reserve stocks

9 The improved food situation has also led to a marked fal the prices of cereals and pulses which at the commencemer the Plan were causing considerable anxiety The fall is s the following table —

Index Numbers of Individual Commodities

Group and Commodity	17 7 54	18 7 53	19 7 5-	21 7 1
FOOD ARTICLES	358 6	406 6	373 4	409 0
I *Cereals*	403	483	461	48-
1 Rice	481	538	534	535
2 Wheat	434	609	549	540
3 Jowar	00	43	30	328
4 Bajra	237	328	45	245
II *Pul es*	293	500	509	496
1 Gram	-53	413	442	371
Dal (Arhar)	373	686	645	804

10 Finally the easing of the food situation has permitted controls which it was thought would have to be retained th out the period of the Plan to be gradually relaxed and with lifting of restrictions in respect of rice in July of the current y to be practically dispensed with altogether In respect of wh there are still some restrictions on inter zonal and inter State mo ment over a small area otherwise all controls have been lifted the procurement of wheat rice and coarse grains has been tely given up Thus after a period of more than ten year irksome system of food controls has disappeared and auster measures have been abandoned can now buy la quantities of food choice of varietie

11 *Cotton* —Next to food comes cotton—the raw material for clothing The supply position of cotton was adversely affected after partition as supplies from Pakistan were irregular and uncertain To meet the shortages experienced by the cotton mills the Plan set a target of *producing an additional 12 6 lakh bales* The specific measures adopted for this purpose included provision of irrigation facilities supply of improved varieties of seed and greater use of ammonium sulphate Extension staff for giving technical advice was also appointed Out of a sum of Rs 3 5 crores provided in the Plan for aiding these schemes Rs 2 crores have been spent in the first 3 years Out of this about Rs 40 lakhs were sanctioned to State Governments as subsidies and the rest as interest free loans

12 Production of cotton is influenced by price changes to a much greater extent than food grains The Government therefore increased in 1952 the floor prices of basic varieties from Rs 495 to Rs 550 and brought more varieties under control All these measures—aided in 1953-54 by exceptionally favourable weather—have contributed to a rise in the production of cotton as may be seen from the table below —

Year	Area (Million acres)	Production (Lakh bales of 39 lbs)
1950 51	14 6	9 7
1951 52	16 2	31 3
1952 53	15	31 3
1953 54	17 0	39 3

The production has increased by nearly 10 lakh bales or 31 per cent over the base year and more than 80 per cent of the 5 year target has been achieved in the third year of the Plan About half of the increase has been obtained by an expansion of the area under cotton which it will be seen has risen in the last 4 years from 14 6 million acres to 17 0 million acres an increase of nearly 17 per cent What is more significant however is the fact that there has *been a very steady increase in the long staple varieties* which in 1953 54 accounted entirely for the increased production as may be seen from the figures below —

(Million acres)

Year	Long	Medium	Short	Total
1950 51	3 4	7 6	3 6	14 6
1951 52	4 8	7 1	4 3	16 2
195 3	5	6 5	4 0	15 7
1953 54	6 0	7 3	3 7	17 0

13 The increased production of cotton within the country has reduced our dependence on imports Whereas in 1950-51 about 12 3 lakh bales were imported the imports in 1953-54 were only 6 6 lakh bales The progressive improvement in the situation and the savings in foreign exchange are shown in the following table —

Year	Quantities Imported (lakh bales)	Estimated cost (Rs crores)	Savings in foreign exchange (Rs crores)
1950-51	12 7	101	
1951 52	12 37	138	—37
1952 53	7 91	77	24
1953 54	6 64	53	48

14 *Jute*—Partition adversely affected the whole economy of the Jute industry The Plan therefore provided for increasing the internal production of jute by 20 9 lakh bales The measures adopted for this purpose were distribution of fertilisers construction of retting tanks establishment of seed multiplication farms demonstrations of line owing grant of assistance to the farmer in growing an earlier crop of jute and double cropping A provision of Rs 50 lakhs was made in the Plan for assisting State Governments to undertake these schemes The actual expenditure on Jute Development Schemes in the first 3 years has been about Rs 34 lakhs The figures of area and production in the last four years are given below —

Year	Area (Lakh acres)	Production (Lakh bales of 400 lbs)
1950 51	14 11	3 8
1951 52	19 51	46 8
1952 53	8 17	46 1
1953 54	11 96	31 3

It will be seen from the above table that production increased by about 13 to 14 lakh bales during the first two years of the Plan The heavy decline in 1953 54 in both area and production can be attributed only partially to the damage caused by floods and pests in parts of West Bengal and U P It is mainly due to the considerable fall in the price of jute

15 In February 1953 the Government of India appointed an Expert Committee to suggest measures for improving the quality of jute The Committee have recommended an accelerated programme for the construction of retting tanks and the establishment of one nuclear seed farm and 8 multiplication farms for multiplication of good quality seed To popularise the use of improved

varieties of seed the Committee recommended that a Jute Seed Act should be introduced by the States and definite areas ear marked where only improved varieties should be sown The Government of India have accepted these recommendations and in order to imple ment them the amount provided in the Plan has been raised from Rs 50 to Rs 80 lakhs

16 *Sugar*—Additional production to the extent of 7 lakh tons in terms of gur was vi uali ed in the Plan In the first year mainly as a result of the high prices offered for sugarcane acreage and production increased considerably and the production of crystal *sugar reached an all time record of 15 lakh tons* The reduction in the price of sugarcane from Rs 1 12 0 per md in 1951 52 to Rs 1 5 0 per md in 1952-53 and Rs 1 7 0 per md in 1953 54 led to a decrease both in acreage and production which in 1953 54 were lower than in the base year This will be clear from the following table —

Year	Area (million acres)	Production (million tons)
1950 51	4 2	5 6
1951 52	4 8	6 1
1952 53	4 1	5 3
1953 54	3 6	4 6

To meet the shortage of sugar which is partly due also to increase in consumption the Government arranged imports to the extent of 7 5 lakh tons in 1953-54

17 *Oilseeds—The target of additional oilseeds production for* the Plan period was put at 4 lakh tons During the base vear (1950 51) 5 07 million tons of oilseeds were produc d In the first two years of the Plan production remained below this level but in 1953 54 it rose to 5 6 million tons resulting in a sub tantial increase not only over the two previous years and the base year but also over the target figure

18 The area and production figures for the major oilseeds (groundnut sesamum rape and mustard linseed and castor seed) during the Plan period are given below —

Year	Area (million acres)	Production (million tons)
1950 51 (base)	26 51	5 08
1951 52	28 87	4 93
1952 53	27 66	4 64
1953 54	27 60	5 59

Compared to the base year the area in 1953-54 has increased by 4 per cent while the production has increased by 10 per cent. The increase which is almost entirely accounted for by increases in respect of groundnut and sesamum cannot be ascribed wholly to the programme initiated by the Oilseeds Committee but is due to favourable weather The improved supply position has led to a considerable fall in prices of oilseeds and oils—a distinct advantage to the consumer and also to the Vanaspati Industry

19 *Effects of the Weather on Increased Production*—While a good deal of the increased production has been achieved as a result of various programmes described later such as irrigation land reclamation distribution of seeds and fertilisers etc a part of the increase especially in 1953 54 is a result of favourable conditions A precise assessment of the effects of the weather is not possible but a study of the available data enables some rough guesses to be hazarded which perhaps may not be very wide off the truth.

20 That the whole of the increase which in the case of grains amounts to rather more than 21 per cent might be due to the weather is purely on the basis of the past experience not entirely impossible Variation in the production of the principal food crops in representative States of the main regions of India (except the Eastern region for which figures are not available) from 1910 onwards have been examined and it has been found that in any one quinquennium—and in the past over so short a period no factor other than the weather was likely to cause much change—the production in the best year may vary from the median by well over 20 per cent Theoretically therefore the 21 per cent increase of 1953 54 could be due solely to favourable weather It is obvious however in view of the considerable extension of irrigation land reclamation and use of fertilisers that has been achieved in the past few years that favourable weather is by no means the sole factor Moreover in the past a variation of more than 20 per cent has been exceptional Normally the variation in any one quinquennium has not exceeded 15 per cent in the case of rice and wheat and generally it is lower than this—though it has tended to be higher in the case of jowar On the basis of these past figures therefore rather more than half of the increase of 21 per cent could reasonably be attributed to favourable weather

21 A careful examination has been made of figures relating to the production and area under foodgrains during the past few years (Appendices I and II) This has brought out certain important features

(a) The largest increase in production has occurred in the North West region which accounts for 3 9 million tons

or 33 5 per cent of the total additional production of foodgrains in 1953 54 One State of this region—Rajasthan—alone shows an increase of 2 4 million tons or 21 1 per cent of the total increase in the Indian Union The total production of foodgrains in this State has gone up from 1 1 million (1949 50) to 3 5 million tons (1953-54) an increase of 221 per cent There has however been no appreciable extension of irrigation in this State—nor has there been any marked increase in the use of manures fertilisers and improved seeds during this period The increased production is mainly due to a sharp rise of 7 3 million acres in the area under foodgrains A part of the increase is not a real increase at all but is simply due to improved statistical coverage since 1949-50 But most of it is due to ample and timely rains at the sowing season enabling large areas which otherwise would have been utilised for raising fodder or would have remained fallow to be sown with food crops

The increases shown by the Punjab (in spite of large irrigated area) and PEPSU the other two important States of this region are very modest in comparison with Rajasthan as production in these two States increased only by 35 5 per cent and 52 per cent respectively over the base year

(b) The next largest increase in production has been in the Central region where in 1953-54 there has been a rise of 2 6 million tons or 23 per cent of the total additional production of foodgrains 2 2 million tons of this increase is accounted for by two States Hyderabad and Madhya Pradesh In Hyderabad the increase is mainly due to a rise in the acreage by 3 9 million acres and in Madhya Pradesh to the exceptionally high yields of millets Most of the increase in these two States must be attributed to favourable weather condition

(c) The production in the Eastern region increased by 1 8 million tons or 16 per cent Of this 1 7 million tons is accounted for by West Bengal alone Production in West Bengal increased in 1953 54 by 42 per cent over the base year and by 30 per cent over the preceding year (1952 53)

(d) While a number of State like Rajasthan Hyderabad and Madhya Pradesh with a low rate of expenditure on

agricultural development recorded large increases in food grains production States like Bombay and Pradesh where schemes of agricultural de have been progressing satisfactorily have shown onl small increases over the base year

(e) The yield of jowar in Madhya Pradesh during 1953-54 the highest in the last 30 years and the yield o rice the h ghest in the last ten years The yield of rice Madras in 1953 54 was also the highest in the la t year Data regarding yields from other States a confirm that as regard the production of cereals 19 was climatically an exceptionally good year for the cou try as a whole and the be t year for a least ten

22 From the data presented above one may safely conclude the increa e of 4 6 million tons in Rajasthan Hyderabad a Madhya Pradesh was due mainly to climatic factors rather than measures of agricultural improvement Similarly the very increase in West Bengal in the year 1953 54 must be ascribed p cipally to the weather These increases account for 6 3 million ou of the total increase of 11 4 million tons It would perhaps reasonable to attribute 75 per cent of them to the weather and onl 25 per cent or 1 6 million tons to other causes As regards th balance of 5 million tons of increased production in the other S there is no reason to suppose that the weather was such a pre nan factor It would perhaps be fair to assume that favourab weather accounted for about one fifth of the increase and that remaining 4 million tons was due to other causes This wou lead to the conclusion that out of the total increased production foodgrains of 11 4 million tons something like 5 to 6 million represent a more or less permanent gain which will be retained an average year but that the rest is attributable to the weather of 1953 54

Progress of Agricultural Programmes

23 *Progress of Expenditure* —The Agricultural Plans of the Sta Governments which were estimated to cost Rs 120 crores further strengthened by the allotment of Rs 30 crores for a Minor Irrigation Programme In the Community Project also additional funds were made available for undertaking s of agricultural production Again t the total allotment of Rs.

cto es the following expenditure h is been reported in the first three years —

(Rs in crores)

	Amount provided in the Plan	Expenditure in 1951 54
Part A States	87 47	45 21
Part B States	6 23	11 28
Part C States	6 20	40
TOTAL	119 90	58 89

The average rate of expenditure in part A States comes to 49 per cent whereas in part B and C States it comes to 40 per cent All part A States except Madhya Pradesh have spent about 50 per cent or more of the expenditure planned Of the part B States Saurashtra Mysore PEPSU and Rajasthan have also utilised more than 50 per cent of the Plan provision This however is not the case in Hyderabad Madhya Bharat and Travancore Cochin where the progress is rather slow In Travancore Cochin less than 20 per cent of the Plan provision was utilised in the first three years

24 Among part C States Bhopal and Coorg have achieved nearly 50 per cent of the target expenditure and Delhi Vindhya Pradesh and Kutch about 30 per cent Other States including Himachal Pradesh have been able to utilise less than 20 per cent of the amounts allotted in the Plan

25 The bulk of the Central assistance visualised in the Plan for programmes of agricultural development is made available to the States out of the allotment made for G M F The amount sanctioned during the first three years and the actual expenditure are detailed below —

(Rs in crores)

Name of Schemes	1951 1952 Sanctioned	1951 1952 Actual	1952 53 Sanctioned	1952 53 Actual	1953 54* Sanctioned
Minor Irrigation	11 69	6 95	11 93	9 79	16 85
Land Reclamation	1 16	1 23	2 03	1 6	1 78
Manures & Fertilisers	2 65	1 60	2 31	1 47	1 01
Seeds	0 64	0 49	1 00	0 61	0 66
Other schemes	1 55	1 02	2 08	0 67	1 44
TOTAL	17 69	11 29	19 35	14 16	21 74

*The G M F sanctions include some of the minor irrigation schemes which are shown under the head Irrigation as they qualify for assistance under the G M F All figures of G M F expenditure are therefore not shown in the Agricultural Plan

The table shows the following —

(I) In the first three years the Government of India sanctioned about Rs 59 crores for G M F schemes

(II) The actual expenditure which amounted to only 64 per cent of the sanctioned expenditure in 1951 52 increased to 73 per cent in 1952 53

(III) Minor Irrigation Schemes accounted for 61 per cent of the actual expenditure in 1951 52 This percentage increased to 70 in 1952 53

MINOR IRRIGATION

26 The table also shows that in the first three years the Government of India sanctioned a sum of about Rs 40 crores for Minor Irrigation Schemes These included construction of and repairs to wells and tanks installation of pumps construction and improvement of dams and channels and other similar works Assuming that 70 per cent of the amount sanctioned for 1953-54 was actually spent a sum of about Rs 28 5 crores will have been utilised during the first three years

27 It is estimated that as a result of the schemes executed during the last three years about 5 3 million acres have been or will be brought under irrigation against 11 2 million acres programmed for the full five years Details of benefits accruing from various schemes are outlined below —

(In million acres)

Names of schemes	Target for 5 years	Achievement (1951 54)
Construction and Repair of wells	1 65	0 6
Tube wells	0 66	0 4
Pumping installations including Persian wells etc	0 70	0 3
Dams Channels tanks etc	5 22	- 3
Additional Minor Irrigation Programme	3 00	1 1
TOTAL	11 23	4 7

The above estimates are tentative and have been arrived at on the basis of the reports regarding the units of work completed.

28 Data regarding the total area irrigated during 1952-53 and 1953- are not available Provisional figures of net and gross area irrigat for the year 1951 52—the first year of the Plan—are compared low with the figures for the two previous years —

(In million acres)

Year	Area Irrigated	
	Net	Gross
1949 50	48 7	5- 4
1950 51	51 5	55 7
1951 52	51 5	56 5

It will be seen from the above table that the total net and gross igated area increased in 1951 52 over 1949 50 by 2 8 and 4 1 illion acres respectively A part of this increase may only be atistical as between 1949 50 and 1951 52 the reporting area increas- l from 266 million acres to 296 million acres It is therefore diffi lt to say how far the benefits from minor irrigation schemes have tually been reflected in the area irrigated Further more the ea irrigated fluctuates considerably from year to year owing to ariations in climate and rainfall It will in fact only be possible er a period of years to make a true asse sment of the extension the area irrigated on account of works included in the Plan

29 *Wells*—Of the various types of minor irrigation schemes the nstruction and repair of wells is one that is receiving attention all States except Assam Orissa West Bengal Manipur Tripura d Himachal Pradesh where this form of irrigation has little scope cording to the progress of expenditure figures a sum of about 7 00 crores was spent by the States on this type of schemes during e first three years and the following achievements have been ported —

State	No of wells constructed or repaired	Remarks
Andhra	4 315	
Bihar	10 205	Includes open boring
Bombay	11 391	
Madhya Pradesh	2 194	
Madras	7 394	
U P	18 467	Figures for two years
Hyderabad	4 688	
Madhya Bharat	17 024	
Pepsu	6 659	
Rajasthan	3,291	
Saurashtra	18 594	Figures for two years.
Mysore	1 973	
Ajmer	598	
Delhi	918	
Vindhya Pradesh	81	
	1 07 792	

The progress in Madhya Bharat and Saurashtra has been ly satisfactory mainly because these works were undertaken large scale during a period of scarcity

30 Wells yield better results at a lower cost if they are f is with suitable appliances for lifting water Compared to th or Charsa (leather bucket) and the persian wheel a pump oper by a diesel or electric engine is generally found more A number of States have therefore made arrangements for ing pump sets to cultivators and to cooperatives and a sum of Rs crores has been spent on this programme during the first three ye The following achievements have been reported up to the March 1954

S ate	No of Diesel or Electric Engines supplied
Biha	365
Bombay	1,200
Madhya P adesh	792
Madras	946
Madhya Bharat	1 304
Mysore	3 154
Pepsu	833
Rajasthan	346
Vindhya Pradesh	113
TOTAL	11,053

Particularly good progress has been made in Mysore where electric engines were installed during 1951—54 compared with 2 166 in the 20 preceding years This programme has been exe by a separate section of the Electricity Department of the which arranges not only for the construction of transmission but al o undertakes to supply and instal electric motors and accessories

31 *Tubewells*—Under the Indo U S Techn cal Cooperation gramme three projects for the construction of 2 6 0 tubewells for drilling of 350 exploratory tubewells have been undertaken a cost of about Rs 25 crores 2 650 tubewells have been allott the following States —

Bihar	385
U P	1 275
Punjab	530
Pepsu	460
	650

Work has not yet commenced on 650 of these tubewells As regards the remaining 2 000 the construction of 495 tubewells is being under taken departmentally by the Governments of U P Punjab and Bihar and the rest have been entrusted to contractors The progress is fairly satisfactory as outlined below —

States	Total programme	Wells Drilled	Wells completed
Bihar	350	239	-13
U P	995	450	335
Punjab	355	162	61
Pepsu	300	249	59
	2 000	1 100	668

32 *Exploratory Tubewells*—The main tubewell programme has so far been confined to the four States of the Indo-Gangetic basin It is believed that other parts of the country which suffer chronically from scarcity of rain fall and which have no other economic source of irrigation may also prove suitable for ground water irrigation However before any large scale programme of tubewell construction is undertaken in these areas an exploratory survey of ground water potentialities has to be conducted Mainly with a view to benefitting such areas the Government of India have drawn up a programme for the drilling of 350 exploratory tubewells These will be located in the following areas

State	Region	Approximate Number of Exploratory Borings
Madhya Pradesh	Purna Basin	15
Bombay	Tapti Valley	15
Madhya Pradesh	Narbada Valley	15
Kutch		10
Saurashtra		10
Travancore Cochin		5
Madras	South Central Belt	50
Andhra	Krishna Godavari Delt	25
Orissa	Coastal Area	20
Bengal		37
Bihar		16
Assam		15
Raj sthan	Bikaner	5
Punjab		45
PEPSU		5
Uttar Prad sh		47
Other areas		14
		350

The Site Selection Committee has visited (a) Madhya
Narbada and Purna Valley (b) Bhopal and (c) Bombay—
Valley for locating the sites Orders for 5 drilling rigs
and other equipment have been placed with the India Supply M
sion Washington The total number of items intended is about
Most of the equipment intended for the Geological Survey of
has been received

33 *State Tubewells*—Apart from the T C A programme some
the State Governments have large programmes of their own for
departmental construction of tubewells These programmes
been taken up by the State Governments with their own resour
supplemented by Central aid The U P Government for
have completed 1 029 tubewells at a cost of about Rs 3 35
Similarly in Bihar 552 tubewells have been constructed at a
Rs 1 58 crores Of these 289 are located in North Bihar and
in South Bihar The Punjab Government are also implementing
programme on these lines

34 Bombay State had a programme for the construction of 40
tubewells in North Gujerat area at a cost of Rs 2 crores Against
target only 47 tubewells had been completed during 1951 54
work which was entrusted to a contractor did not progress
factorily The contract was therefore cancelled and
construction has been commenced

35 State Governments also assist private parties and
societies with loans and grants for tubewell construction The
operative societies in U P have completed 232 tubewells in the
three years of the Plan In Bihar and Pepsu 36 and 72 tubew
were constructed by private parties respectively

36 *Special Minor Irrigation Programme*—To strengthen
minor irrigation programme the Government of India agreed to
vide special loan assistance to the States amounting to Rs 30 crores
Out of this Rs 10 crores were earmarked for meeting the cost o
T C M tubewells project to which reference has already been made
The balance of Rs 20 crores was available for other minor

works Against this allotment about Rs 7 crores were sanctioned to the following 12 States during 1953-54 —

State	Amount Sanctioned (Rs in Lakhs)
Bihar	50 00
Bombay	176 38
Madhya Pradesh	53 39
Madr	82 02
Punjab	25 00
U P	76 14
West Bengal	17 82
Hyderabad	30 00
Madhya Bharat	33 70
Mysore	50 00
Rajasthan	75 00
Saurashtra	25 95
	695 40

As progress reports regarding these schemes have yet not been received it is too early to assess the achievements The magnitude of this programme can however be judged from the following account of the activities in two States

Bombay was allotted Rs 1 76 crores out of which Rs 1 50 crores were utilized for undertaking about 55 minor irrigation works in scarcity affected areas These works are expected to benefit an area of 1 72 lakhs acres In addition a loan of Rs 30 lakhs was granted to this State for 466 minor irrigation works in non scarcity areas benefitting an area of 54 000 acres A sum of Rs 76 lakhs was also allotted to U.P for 26 works which are expected to irrigate about 3 lakh acres

For 1954-55 loans to the extent of Rs 10 crores have been agreed to for this programme

37 The usual standards regarding cost and productivity have been somewhat relaxed in the case of Special Minor Irrigation assistance This has enabled the State Governments to take up schemes which would not have otherwise qualified for G M.F aid For taking up these works States like Bombay Madhya Bharat Hyderabad Rajasthan and Madhya Pradesh have created special organisations either in their P W.D or some other Department which would not have come into existence otherwise In the case of some States *e g* Madhya Pradesh Rajasthan Madhya Bharat and Hyderabad the setting up of this organisation has itself taken some time The progress therefore has been on the whole somewhat slow despite the large sums of money sanctioned Bombay U.P Bihar Mysore and Punjab are among the States which have been able to utilize this assistance effectively

Land Improvement and Reclamation

38 *Central Tractor Organisation*—The Plan provides a sum of Rs 35 crores for land reclamation and the improvement of 74 lakh acres Out of this Rs 10 22 crores were earmarked for the Central Tractor Organisation which had a five year programme of reclaiming 14 lakh acres of this 8 06 lakh acres have been reclaimed during the first 3 years in the following States —

(In lakhs of acres

Name of the State	1951 52	1952 53	1953 54	Total
I *Kans Eradication*				
U P	0 39	0 34	0 56	1 29
Madhya Pradesh	0 7-	0 63	1 10	- 45
Madhya Bharat	0 45	0 91	0 75	11
Bhopal	0 79	0 61	0 35	1 75
TOTAL	2 35	- 49	2 76	7 60
II *Ju le Clearance*				
U P	0 0	0 17	0 05	0 42
Bhopal			0 04	0 04
TOTAL	0 -0	0 17	0 09	0 46
III TOTAL AREA RECLAIMED	2 55	2 66	2 85	8 06

Up till the end of March 1954 the C T O had spent Rs 6 3 crores on these operations Rs 1 7 Rs 2 5 and Rs 2 1 crores having been spent in 1951 52 1952-53 and 1953 54 respectively

39 In the first 2 years the State were charged Rs 52 per acre for reclamation work The rate was increased in 1953 54 to Rs 5- per acre for blocks of 200 acres and above and Rs 65 per acre for blocks of 100 to 200 acres The charges for 1954 55 have been reduced to Rs 45 per acre

40 In 1953 54 the C T O put to work 279 tractors in the following States —

Name of the State	Number of tractors
Madhya Pradesh	97
U P	65
Madhya Bharat	62
Bhopal	55
	279

41 It is frequently asked whether the lands reclaimed by the C T O are being kept regularly under cultivation or are relapsing once again to their former condition The information received from Madhya Bharat Madhya Pradesh Bhopal and U P shows that the State Governments are taking steps to see that the lands do not remain fallow They provide needy cultivators with taccavi loans for the purchase of bullocks and seeds Some States also advance loans to individuals for the purchase of tractors to be utilised for follow up cultivation Tractors belonging to State Governments are also made available to cultivators on hire for follow up work It can therefore be said that most of the reclaimed land belonging to private cultivators is kept under the plough and the percentage which remains fallow is very small The same cannot however be said of the large tracts of Government land reclaimed by the C T O which are found mainly in U.P

42 Questions have also been asked about the reappearance of Kans (*Sachharum Spontaneum*) in tractorised lands Experiments conducted in areas ploughed in the year 1948-49 1950 51 and 1951 52 in a district of Madhya Pradesh show the following results —

(a) Proper cultural treatment like ploughing and bakharring (Harrowing) have a direct bearing on sub equent reinfestation

(b) In fallow areas the growth of kans is at its maximum when the area has remained uncultivated for a period of 4-5 years This diminishes with the length of the period the land has remained fallow till at the end of about 12 years infestation is negligible This indicates that kans has a regular cycle of life which finishes after 12 years

(c) Growing of kharif crops after tractorisation induces rein festation except in quick growing crops raised for pur poses of green manuring

43 *State Tractor Organisation*—The C T O undertakes only reclamation operations and its activities have been limited to 4 States where large blocks of land are available A number of State Governments however have tractor organisations of their own, partly for reclamation but mainly for follow up cultivation The table below shows that the strength of the State Tractor Organisa ions has increased during the year 1953 54 as compared to 1952-53 except in the case of Hyderabad

Name of the State	No. of tractors reported in	
	1952 53	1953 54
U P	492	552
Madras	299	303
Madhya Bharat	27	35
Punjab	89	183
Madhya Pradesh	100	144
Hyderabad	51	51

The achievements of the State tractor units as reported by some of the States are compared below with the targets for mechanical cultivation

State	Five Year target (acres)	1951 54 target (acres)	Achievement (acres) (1951 54)
U P	3 62 000	2 59 000	1 91 777
Madras	2 69 749	1 34 547	85 036
Madhya Pradesh	3 78 900	1 98 900	1,44 889

It will be observed from the above data that the work of the S T O s has generally lagged behind the schedule Among other things this is due to the fact that the State Units are not vet properly organised and most of them are either incurring losses or are quoting rates which are not attractive to the cultivators Consequently there has been some fall in the demand for the service of State tractors In addition to this some of the bigger farmers who former availed of these facilities have acquired their own tractors

44 *Tractor Imports*—After the second world war cultivators had begun to use power driven machinery to a much larger extent The rising cost of labour as well as its scarcity in some areas helped this trend The anxiety of large land holders to cultivate as much area personally as possible as a protection against impending land re forms also led to increased sales The increase in the use of tractors may be seen from the following import figures —

Year	No of tractors imported
1949 50	3 318
1950-51	4 930
1951 52	7 148
1952 53	1 227
1953 54	3 195

According to the latest census 8 260 tractors were used for agricul tural purposes in 1951 It must be presumed that to this number has been added at least a part of the 11 570 tractors imported during the

first 3 years of the Plan It will however be seen from the table given above that imports which rose steadily upto 1951 52 have declined in the last two years The decrease in imports is accounted for by the fact that the larger cultivators are now less willing to invest money in tractors because of a fear that an absolute ceiling may be imposed on land holdings No doubt tractors can also be owned and operated cooperatively but such cooperatives have yet to come into existence

45 *Land Improvement Schemes*—In addition to schemes of reclamation and mechanical cultivation large number of schemes for land improvement mainly undertaken with the help of manual labour are in operation in various States In Bombay for instance against a sum of Rs 1 45 crores provided in the Plan for bunding 10 lakh acres by 1955-56 a sum of Rs 1 98 crores has been spent and about 10 5 lakh acres have already been bunded The target has thus been completed two year ahead of the schedule About 30 000 acres of saline land were also reclaimed in this State by constructing embankments which prevent sea water from entering the cultivated area

46 In Bihar against a five-year target of 1 8 lakh acres 1 06 lakh acres of waste lands had been brought under plough after reclamation by the end of March 1954

47 In Madhya Pradesh three land improvement schemes have been in progress —

(i) Construction of field embankments for conversion of Rabi into double cropped area

(ii) Construction of Rabi bunds

(iii) Construction and repair of paddy bunds

A sum of Rs 45 lakhs was spent on these schemes in the first three years benefitting an area of 27 335 acres In Uttar Pradesh about Rs 31 4 lakhs were spent out of a five year provis on cf Rs 54 lakhs for acquiring 8 943 acres of Usar and eroded land Of this 4 000 acre have been reclaimed In other States like Mysore Hyderabad Madhya Bharat not much progress was recorded although there is considerable scope for such schemes

Manures and Fertilisers

48 *Rural Compost*—In rural areas particularly in the Community Projects and National Extension Blocks composting of farm yard manure and other waste material is becoming increasingly popular Nearly 2 4 lakh compost pits were dug in areas covered by community projects during the last 18 months

49 *Urban Compost*—Large quantities of night soil and other r fuse available in urban areas are a good source of organic manure To help the municipalities in taking up the work of urban composting assistance is made available under G M F rules During years 1951 54 a sum of Rs 60 lakhs was sanctioned for these

Out of 3 000 places where Municipal Committees and Area Committees are functioning composting is in progress in 1 places The progress made since 1950-51 is shown below —

Year	No of urban centres in Indian Union	Production of compost (lakh tons)
1950-51	1 048	14 03
1951 52	1 693	16 94
1952 53	1 700	17 99
1953 54	1 729	18 50

50 The number of municipalities where the work is being out in some of the important States is as follows —

Name of the State	No of Municipalities
U P	256
Bombay	241
Hyderabad	189
Madhya Pradesh	1 6
Mysore	108
Punjab	74
Bihar	73
Madhya Bharat	63
Bengal	30
Orissa	26
Saurashtra	26
Travancore Cochin	20
Rajasthan	19

51 *Sewage and Sullage*—The Government of India have al been providing financial assistance for utilisation of under g sewage water In 1951 54 fourteen schemes for sewage and sul utilisation were approved

52 *Blood Meal*—The Planning Commission recommended th by products of slaughter houses particularly blood meal should utilised for fertilising the soil A beginning in this direction been made in U P Bombay Madras West Bengal and Hyderab In U P four municipalities—Kanpur Hapur Gorakhpur Lucknow—produce about 460 tons of blood meal The entire quantity is purchased by the Agricultural Department at a rate mutuall

settled between them and the local bodies In Bombay State this work is in progress in Poona City Poona Cantonment and Bombay City and annual production is estimated at about 300 tons Five municipal towns in Madras also have made arrangements for the collection and disposal of blood meal The corporations of Madras and Calcutta and some municipal towns in Hyderabad have also taken up this work The tea and coffee plantations of the South are showing an interest in this product

53 *Ammonium Sulphate*—Among the inorganic or chemical fertilisers ammonium sulphate which contains about 20 to 21 per cent nitrogen is at present the most important The annual consumption of ammonium sulphate has been steadily increasing Against about 2 75 000 tons utilised in 1950 the consumption in 1953 is estimated to have been 4 2 lakh tons an increase of about 50 per cent The demand for 1954 is still larger and imports to the extent of about 1 lakh tons have been planned to meet the increased requirements The target of 6 1 lakhs tons set in the Plan for 1955-56 is likely to be realised if adequate supplies can be arranged

54 The use of ammonium sulphate which was not particularly popular two years ago has increased as a result of the following measures —

(a) The issue price of ammonium sulphate has been reduced from about Rs 330 to Rs 290 per ton

(b) A system of uniform freight rate has been introduced and ammonium sulphate is now available at Rs 315 per ton at any railhead in the country

(c) The distribution charges which were quite high in some States have been reduced and an attempt is being made to sell the fertiliser at Rs 345 at the farmer s door

(d) If a cultivator cannot pay for the fertiliser in cash he is allowed to take it on credit and pay for it after the harvest A sum of Rs 2 crores was provided for this purpose in the Central Budget in 1952-53 This amount was raised to Rs 8 crores in 1953-54 and Rs 10 crores in 1954 55

(e) Effective demonstrations and publicity have been carried out by the staff of the Agriculture Departments and by the National Extension Service

55 Besides ammonium sulphate there are other nitrogenous fertilisers which have proved their usefulness else-where but had not been tried on an extensive scale in this country The Government

of India have under Technical Cooperation Agreement obtained 14 086 tons of new fertilisers such as urea ammonium nitrate etc. These are being tried at different places

56 *Phosphatic Fertilizers*—The consumption of phosphatic fertilizers is only about 30 000 to 40 000 tons and has not kept pace with the increases recorded in the u e of nitrogenous fertilizers Greater attention will have to be paid to the use of these fertilizers in the next two years and in the Second Plan

Improved Seeds

57 The use of improved seed helps a great deal in raising yields The State Plans provided Rs 6 3 crores for the distribution of improved seeds of various kinds Against this provision Rs 2 58 crores were spent during 1951 54 Central assistance to the extent of Rs 1 5 crores was sanctioned from the G M F funds and the following quantities of cereal seeds were distributed

(Qty in tons)

	1951 52	1952 53	1953 54 for 9 months upto March 1954
Assam	966	1 175	N R
Biha	302	84	N R.
Bombay	3 546	3 515	3 320
Madhya Pradesh	4 657	5 386	5 295
Madras	17 336	11 183	1 621
Orissa	1 534	1 377	749
Punjab	24 061	1 141	N R
U P	20 346	20 847	5 731
West B ngal	1 147	784	467
Hyderabad	5 504	8 527	6 155
Madhya Bharat	1 072	1 052	1 048
Mysore	180	N R	363
Rajasthan	85	480	1,2-5
Saurashtra	22	N R	N R.
Pepsu	N R	645	1,486

N R—Not reported

It will be seen from the above table that almost all the States have *a programme for the* distribution of improved *seeds but it* cannot be said to be really well organised and the *seed distributed* is some time not of the quality it should be It is now hoped that in the Community Projects and National Extension blocks the work of seed multiplication will be properly carried out and cultivators will be able to get *dependable* supplie of improved seed suited to the locality

PLANT PROTECTION

58 *Crop Pests*—Crop pests and diseases constantly appear in epidemic form in one or other part of the country If adequate mea sures are not taken in time considerable damage is done to the standing crops

59 Most of the part A and part B States maintain plant pro tection organisations and a certain amount of equipment for meeting day to day requirements Many of them however are not in a posi tion to deal effectively with widespread epidemics and so a Central Pool of plant protection apparatus pesticides and other equipment is being established so that the States may supplement their resour ces by borrowing from the pool in time of emergency

60 To prevent the entry and spread of pests and diseases not known to occur in India but liable to enter through imported plant materials quarantine stations exist at the sea ports of Bombay and Madras The Plan provided for setting up two more quarantine and fumigating stations at Calcutta and Cochin These are expected to be established during 1954-55 A station at the airport of Amritsar was set up on the 1st August 1954 Arrangements have also been made for the inspection and disinfection of imported plant materials at the airports of Delhi Bombay and Madras

61 *Locust*—During the period 1951 54 there have been several locust incursions from the West The areas mo tly affected have been the States of Rajasthan Pepsu Punjab Saura htra Kutch and Bombay covering an area of about 80 800 square miles Large-scale locust breeding occurs in the desert areas of Rajasthan Bombay Saurashtra Kutch and parts of Punjab and Pepsu Anti locust ope rations were undertaken extensively in these areas The mea ure of success achieved may be judged by the fact that in spite of wide spread and heavy breeding no large scale swarms have developed within India since 1952 and swarms mostly came from Arabian coun tries *via* West Pakistan

62 The methods of locust control have been modernised and new techniques have been evolved The old method of killing nymphs by driving them into trenches and burying them has been largely replaced by poison dusting and spraying The use of hand operated dusting and spraying machines has been reinforced by power operated machines mounted on jeeps and trucks Aerial du t ing and spraying have also been employed ince 1951 to supplement ground operations

SPICES

63 In pursuance of a recommendation made by the Planning Commission the Ministry of Food and Agriculture constituted in 1951 a Spices Enquiry Committee to investigate problems relating to the production and marketing of pepper cardamom ginger turmeric cashewnuts and lemon grass The Committee completed its deliberations and submitted its report in August 1953 The report revealed that owing to a world shortage of pepper India s exports of this commodity which were negligible before the war have now risen to 15 000 tons per annum Fifty per cent of this goes to America In spite of the rise in the price there has been no great extension of pepper cultivation and the total output has only risen from 18 500 to 21 500 tons This is said to be due to the fact that pepper vines take four to five years to give a satisfactory return and the majority of small cultivators prefer to raise crops giving an immediate return rather than invest money on a crop which only yield a return after a considerable time As regards cashewnuts out of 26 000 tons of cashew kernels produced in the country in 1951-52 nearly 21 000 tons were exported Exports of this commodity were less than 14 000 tons before the War and reached a maximum of 27 000 tons in 1952-53 More than three fourths of these exports go to the United States of America

64 To improve the production of these crops the Committee made the following recommendations —

(1) One or two experimental stations may be started in the main pepper growing areas

(2) A fund for developing production of pepper and other spices should be created

(3) Steps should be taken for facilitating research in all the six crops and

(4) Measures should be adopted for standardization of quality and regulation of markets

The recommendations of the Committee have been accepted in principle and the Government of India have agreed to provide financial assistance for approved schemes of development and research at a cost not exceeding Rs 20 to 21 lakhs in the last two years of the Plan

Appendix I

Regional Production Pattern Foodgrains (1949 50—1953 54)

(In 000 tons)

Zone and State	1949 50	1950 51	1951 52	195 53	1953 54	Inc (+) Dec (—)	Percentage of Add Production to the Total	Percentage of Add Production to the base year 1949 50
1	2	3	4	5	6	7	8	9
Uttar Pradesh	11 157	11 611	10 792	11 942	12 069	+ 912	8 02	8 17
North India	**11 157**	**11 611**	**10 792**	**11 942**	**12 069**	**+912**	**8 02**	**8 17**
Bihar	6 263	4 2 7	4 850	5 811	6 138	—125	—1 10	—2 0
Orissa	2 184	2 133	2 423	2 522	2 635	+451	3 97	20 65
West Bengal	4 070	4 354	3 981	4 447	5 762	+1692	14 88	41 57
Assam	1 789	1 447	1 537	1 688	1 673	—116	—1 02	—6 48
Manipur	98	88	67	71	66	—32	—0 28	—32 65
Tripura	196	135	135	137	136	—60	—0 53	—30 61
II East India	**14 600**	**12 384**	**12 993**	**14 676**	**16 410**	**+1810**	**15 92**	**12 4**
Madras	7 102	6 670	6 968	6 999	8 794	+1 692	14 88	23 82
Mysore	965	1 030	1 001	855	1 239	+-74	- 41	28 39
Travancore Cochin	407	405	278	-41	278	—129	—1 14	—31 69
Coorg	36	44	42	4	53	+17	0 15	47 22
III South India	**8 510**	**8 149**	**8 289**	**8 137**	**10 364**	**+1 854**	**16 30**	**21 79**
Bombay	5 237	4 153	3 755	3 706	5 475	+238	2 09	4 54
Saurashtra	328	288	175	314	404	+76	0 67	23 17
Kutch	33	33	22	58	68	+35	0 31	106 06
V West India	**5 598**	**4 474**	**3 952**	**4 078**	**5 947**	**+349**	**3 07**	**6 23**

1	-	3	4	5	6	7	8	9
Madhya Pradesh	5 099	4,267	6 068	5 687	6 139	+1040	9 15	20 4
Madhya Bharat	1 244	1 133	821	1 289	1 395	+151	1 33	12 14
Hyderabad	1 949	1 828	2 197	3 007	3 094	+1145	10 07	58 75
Bhopal	163	219	162	251	264	+101	0 89	61 96
Vindhya Pradesh	599	540	720	769	803	+204	1 79	34 06
V Central India	9 054	7 987	9 968	11 003	11,695	+2 641	23 23	29 06
Rajasthan	1 089	1 513	1 242	2 659	3 492	+2403	24 13	220 66
Punjab	2 688	2 530	2 5 0	3 430	3 642	+954	8 39	35 49
PEPSU	749	726	795	944	1 138	+389	3 42	51 94
Jammu and Kashmir	337	382	349	353	361	+24	0 21	7 12
Ajmer	27	41	16	57	75	+48	0 42	177 77
Delhi	31	30	30	31	42	+11	0 10	35 48
Bilaspur	14	16	20	23	24	+10	0 09	71 43
Himachal Pradesh	193	177	175	143	158	—35	—0 31	—18 13
VI North West Ind a	5 128	5 415	5 147	7 640	8 932	+3 804	33 45	74 18
Andaman & Nicobar Islands	1	2	1	2	2	+1	0 01	100 00
India	*54 048*	*50 022*	*51 142*	*57 478*	*65,419*	*+11 371*	100 00	21 04

API ENDIX II

Pegional Variations in acreage under Foodgrains (1949 50—1953 54) (Tigures 000 acres)

Zone and States	1949 50	1950 51	1951 52	1952 53	1953 54	Inc (+) Dec (—)	/ of Add area to the Total	/ of add area to the base year 1949 50	Area irrigated under Food grains 1950-51	Area irrigated under Food grains 1951 52	/ of Irrigated area to the total area in 1951 52 (Col. 11 over Col 4)
1	2	3	4	5	6	7	8	9	10	11	12
Uttar Padesh	42 310	42 314	41 422	42 083	43 176	+886	6 12	2 05	10 180	10 790	26 05
I No h India	**42 310**	**42 314**	**41 422**	**42 083**	**43 176**	**+866**	**6 12**	**2 05**	**10 180**	**10 790**	**26 05**
1 Bil ar	27 347	24 307	24 005	24 233	2 857	—4 490	—31 72	—16 42	5 172	3 883	16 18
2 Orissa	10 525	10 217	10 832	10 987	11 217	+692	4 89	6 57	2,254	2 262	20 88
3 West Bengal	11 476	11 454	11 326	12 092	12 658	+1 182	8 35	10 30	2 367	2 367	20 90
4 Assam	4 352	4 244	4 355	4 450	4 393	+41	0 29	0 94	1 195	1 195	27 44
5 Manipur	182	207	20	177	176	—6	—0 04	—3 30			
6 Tripura	38	391	386	404	391	+9	0 06	2 36			
II East Ind a	**54 264**	**50 820**	**51 106**	**52 343**	**51 692**	**—2 572**	**—18 17**	**—4 74**	**10 988**	**9 707**	**18 99**
1 Madras (undivided)	24 804	23 459	21 898	25 138	26 144	+1340	9 46	5 40	9 227	9 652	38 77
2 Mysore]	4 510	5 669	5 237	5 307	5 692	+1 182	8 35	26 21	852	855	16 33
3 Travancore Cochin	1 097	1 097	840	840	840	—257	—1 81	—23 43	738	738	87 85
4 Coorg	93	95	94	95	103	+10	0 07	10 75	8	9	9 57
III South India	**30 504**	**30 320**	**31 069**	**31 380**	**32 779**	**+2 275**	**16 07**	**7 46**	**10 825**	**11 254**	**36 22**
Bombay	9 594	26 918	27 138	27 775	29 565	— 9	—0 20	—0 10	1 417	1 417	5 22
Saurashtra	4 06	4 102	4 192	4 914	4 945	+739	5 22	17 57	160	160	3 82
Kutch	510	556	676	767	851	+341	2 41	66 86	70	108	15 98
West India	**34 310**	**31 576**	**32 006**	**33 456**	**35 361**	**+1 051**	**7 43**	**3 06**	**1 647**	**1 685**	**5 26**

1	2	3	4	5	6	7	8	9	10	11	12
1 Madhya Pradesh	-5 015	24 864	-5 271	25 399	5 451	+436	3 08	1 74	1 881	1 719	6 80
2 Madhya Bharat	8 740	8 509	8 127	8 828	8 817	+77	0 54	0 88	349	345	4 5
3 Hyderabad	16 193	16 231	17 249	18 617	20 150	+3 957	27 95	24 44	1 304	1 589	9 21
4 Bhopal	1 191	1 141	1 152	1 219	1,258	+67	0 47	5 63	6	5	0 43
5 Vindhya Pradesh	4 167	3 919	4 055	4 163	4 315	+148	1 05	3 55	177	196	4 84
V Central India	**55 306**	**54 664**	**55 854**	**58 246**	**59 991**	**+4 685**	**33 09**	**8 47**	**3 717**	**3 854**	**6 90**
1 Rajasthan	11 847	13 721	12 578	17 057	19 117	+7 270	51 35	61 36	353	353	18 71
2 Punjab	10 925	10 809	9 785	10 332	11 018	+93	0 65	0 85	3 330	3 616	36 95
3 PEPSU	3 393	3 57	3 179	3 510	3 854	+461	3 25	13 59	1,434	1 319	41 49
4 Jammu and Kashmir	948	1 195	1 060	1 018	1 009	+61	0 43	6 43	559	614	57 92
5 Ajmer	311	350	267	332	352	+41	0 29	13 18	11	73	27 34
6 Delhi	233	212	166	187	221	—12	—0 08	—5 15	49	71	42 77
7 Bilaspur	104	113	120	93	112	+8	0 06	7 69	8	8	6 63
8 Himachal Pradesh	871	813	342	771	800	—71	—0 50	—8 15	146	142	16 86
VI North West India	**28 632**	**30 790**	**27 997**	**33,300**	**36 483**	**+7 851**	**55 45**	**27 42**	**7 991**	**8 196**	**29 27**
Andaman and Nicobar Islands	4	5	6	6	6	+2	0 01	50 00			
India	**245 330**	**240 489**	**239,460**	**250814**	**259,488**	**+14 158**	**100 00**	**5 77**	**45 348**	**45,486**	**19 00**

AGRICULTURAL FINANCE

65 Timely and sufficient credit at fair rates is essential for increasing agricultural production and for carrying into effect various measures of agricultural improvement A survey of this important problem in all its aspects was organised by the Reserve Bank of India The work has been completed and a report is expected shortly

66 *Short Term Loans*—Cooperative societies and the State are two institutional agencies that supply rural credit Against 1 42 lakh agricultural cooperative societies in 1949 50 there were 1 52 lakh societies in 1951 52 The loans advanced by them (which are mainly short term loans) increased from Rs 28 53 crores to Rs 37 58 crores during this period—an increase of Rs 9 crores Data regarding the loans sanctioned by cooperative societies in 1952 53 and 1953 54 are not yet available for the Indian Union as a whole but reports received from some of the States indicate that the amounts provided to the cultivators as loan have continued to increase For instance the cooperative central banks in Madhya Pradesh advanced loans of Rs 2 1 crores in 1952-53 as compared to Rs 1 57 crores in 1951 52 In Bombay agricultural cooperatives disbursed short term loans to the extent of Rs 10 78 crores in 1953 54 the corresponding amount for 1951 52 being Rs 8 15 crores The figures received from the Reserve Bank also confirm this trend Whereas in the years 1951 52 and 1952 53 the Reserve Bank advanced about Rs 12 crores annually to eight State Cooperative Banks the loan sanctioned in 1953-54 amounted to Rs 14 7 crores The Apex Banks of Assam Punjab Pepsu Saurashtra and Hyderabad availed of these facilities for the first time in 1953-54 Bihar Madhya Bharat Mysore Rajasthan and Travancore Cochin and most of the part C States have not yet been able to secure loans from the Reserve Bank

It must however be mentioned that the condition of the Central Banks and Societies in these and other States calls for considerable improvements About 20 per cent of the Central Banks made no profits in the year 1951 52

67 *Medium Term Loans*—Besides short term loans the cultivator requires medium and long term advances for carrying out permanent improvements Until recently medium term accommodation was not provided to the cooperatives either by the Reserve Bank or the Central Government Deposits which were the only source of funds for this type of finance were not found adequate The Government of India and the Reserve Bank have therefore agreed to help the cooperatives with medium term loans A sum of

crores was provided in the Plan of the Central Government for the purpose, and allotments out of this amounting to Rs 4 crores were communicated to the States in March 1954 The Reserve Bank has also been empowered to advance medium term loans up to Rs 5 crores and has announced its scheme The loans will be available at a reduced rate of interest *viz* 1 5 per cent Fifty per cent of the loans sanctioned by the Government and the Reserve Bank are to be disbursed in *the Community Project areas and National* Extension Blocks

68 *Long Term Credit*—Long term loans are supplied to the farmers by the Land Mortgage Banks There are six Central and 289 Primary Land Mortgage Banks in the country They made the following advances

	(Rs in lakhs)
1949 50	1 01
1950 51	1 33
1951 52	2 51

The increase in 1951 52 is substantial as compared to the previous two years But it cannot be considered satisfactory in relation to the requirements Land Mortgage Banks are really effective only in Madras and Andhra though some progress has also been recorded in Bombay Saurashtra and Mysore The rest of the country is without a proper organisation for providing agriculturists with long term loans

69 Even in Madras Andhra and Saurashtra the loans are mainly sanctioned for repayment of old debts instead of productive purposes This trend needs to be discouraged As a first step in this direction the Government of India have laid down that at least 50 per cent of the funds that the States receive from the Centre and pass on to the Land Mortgage Banks either as loans or debentures shall be utilised for productive purposes

The Reserve Bank and the Government of India can each subscribe 20 per cent of the approved debentures of the Central Land Mortgage Bank During the year 1953 54 this aid has been offered to the Land Mortgage Banks in Mysore Travancore Cochin Andhra and Madras

70 *Taccavi Loans*—The accommodation from the cooperative societies is available only to members Non member cultivators can obtain short and long term loans directly from the State in the shape

taccavi Taccavi advances have increased considerably since Independence and more so during the Plan period as the following itative figures show —

(Rs in lakhs)

Year	U P	Madhya Pradesh	Hyderabad
1947 48	82 78	119 40	79 00
1950-51	298 37	225 04	127 00
1951 52	389 93	240 06	170 00
195 53	480 97	287 09	Not reported

71 The *repayment of taccavi loans has however not been timely* nd large amounts are outstanding In U P for instance Rs 385 khs were overdue and Rs 313 lakhs in Hyderabad in 1952 53 In adhya Pradesh the percentage of recoveries has steadily declined shown in the table below —

Year	Recovery Percentage of Amount Due (Land Improvement Act)	(Agriculturists Loans Act)
1947 48	89	88
1948 49	77	74
1949 50	71	71
1950 51	70	65
1951 52	65	57

These percentages compare unfavourably also with the recovery percentage of loans sanctioned by the crop loan cooperative societies hough data regarding other States is not available the position in most of them is not likely to be very dis-similar Therefore while xpanding the programme of State or cooperative aid to the culti rators effective steps will have to be taken to improve recoveries slackness in collection will not only embarass the Government but will curtail the availability of funds which are so much needed by the farmers for development

MARKETING

72 *Regulated Markets*—To ensure the farmer a fair price for his produce and to protect him from unauthorised deductions and other inconveniences regulated markets have been established in a number of States The management of these markets vests in a committee on which growers buyers and middlemen are represented

There were 283 regulated markets in 1950-51 this number increased to 356 in 1953 54 The 73 new regulated markets were located in the following States —

Bombay	26
Hyderabad	19
Madhya Pradesh	5
Mysore	5
Punjab	18
	73

73 In Hyderabad Pepsu and Punjab most of the important wholesale markets have been regulated A number of important States like Assam Bihar Orissa West Bengal and U.P do not regulate wholesale markets Some of them have not even adopted the necessary legislation

74 Some of the States too have not yet standardised weights and measures and others are not fully implementing the Acts that have been passed

75 *Cooperative Marketing Societies*—Information regarding the work done by Cooperative Marketing societies is not available for all the States The material available shows that cooperative Marketing has made some progress in Bombay Madras and U P The cotton sale societies of Bombay disposed of cotton worth Rs 3 crore in the year 1951 52 Sale of fruit and vegetables on a cooperative basis was organised by 45 societies in that State In 1952 the 50 marketing societies of Madras received for sale farm produce valued at Rs 47 lakhs from the members of credit societies under the controlled credit scheme One hundred and nine cane Unions in U P supplied 93 3 per cent of the cane required by sugar factories in 1952 53 the percentage for the previous year being 91 37 The cane unions and affiliated societies continued to provide finance for improving irrigational facilities for purchase of seeds and manures etc

As the progress made in this field has not been very rapid and organisation of marketing on a cooperative basis would be in the interests both of the producer and the consumer a proposal for establishing an *All India* Cooperative Marketing Board is receiving consideration in the Ministry of Food and Agriculture

76 *Storage*—With the improvement that has taken place in food production greater attention has to be paid to the problem of mandi are not very satisfactory and for improving this position the mandis are not very satisfactory and for improving this position the establishment of licenced ware houses was one of the measures recommended in the Plan Bombay Bihar Madras Madhya Pradesh Hyderabad Travancore Cochin have enacted the legislation necessary

or the purpose but no ware-houses have come into existence so far On the basis of the additional data that is likely to be available in the rural credit survey report the problem of storage and warehousing will have to be carefully re-examined

77 A sum of Rs 1 25 crores was provided in the Plan for the construction of godowns at the port towns of Bombay Calcutta Vizagapatam Cochin and Madras This provision was raised to Rs 2 crores so that godowns in the interior of the country both in surplus and deficit areas might be constructed adding thereby 2 17 lakh tons to the storage capacity Against this allotment a sum of Rs 0 6 crores was spent up to 1953-54 and godowns of 63 000 tons capacity were constructed

78 During 1953-54 when the Government decided to form a Central food reserve a further sum of Rs 10 crores was allotted for construction of additional accommodation to the extent of 15 6 lakh tons In addition to the traditional type of bulk storage it is proposed that two silo-cum-elevators and also some Butler hangers hould be constructed under the Indo-U S Technical Cooperative Programme

ANIMAL HUSBANDRY

79 *Key Village Scheme*—For bringing about an improvement in the milking and working efficiency of Cattle the Plan provided a sum of Rs 293 lakhs for the Key Village Scheme This scheme aims at establishing throughout the country a number of centres each consisting of three or four villages where breeding will be confined to a few superior bulls all other non pedigree bulls will be removed or castrated and attention given to the proper rearing and feeding of young stock and to disease control To accelerate progress and reduce the number of bulls required 150 artificial insemination centres were to be et up that is one for every four key villages

80 During the first two years of the Plan, 222 key villages and 96 artificial insemination centres were established and by the end of 1953-54 the numbers had risen to 345 key villages and 112 artificial insemination centres Supervision of the scheme has however on the whole been inadequate and many important a pects of it have not received sufficient attention For instance the benefits of breeding from superior bulls can be largely nullified if indiscriminate breeding from inferior animals continues While something has been done towards removing or castrating scrub bulls in the key village areas this part of the programme has not been fully and effectively carried out Thirteen States have passed the Live Stock I
and five others have such legislation under consideration
where the Act is in force there is little positive evidence
that it is being effectively

Similarly, arrangements for rearing and feeding the young stock of superior breed are as yet imperfect

81 The State Governments had insufficient staff at Headquarters for supervising the scheme and were unwilling to provide it witho assistance The Government of India have recently agreed to sub dise the cost of the Headquarters staff on the same terms as the cos of the rest of the scheme

82 It was originally intended to establish 225 farms for breedi superior bulls for use in the key villages Subsequently, this part the programme was abandoned and it was decided to select promis bull calves in the key villages and to pay their owners Rs 5 p month for their proper maintenance with a view to their being utiliz in due course for breeding purposes The arrangements for t selection and rearing these bull calves will however only take eff from the current year 1954-55 and the progress of the whole is likely to be impeded in the next two or three years for want sufficient good class bulls

83 As a result of all these factors only a very small amount Rs 20 lakhs—had been spent on the scheme in the first three , out of the provision of Rs 293 lakhs For the current vear a sum Rs 23 77 lakhs had been budgeted but it is obvious that the full p vision in the Plan will not be utilised It is proposed to divert savings to the financing of dairy schemes

84 It may be mentioned that in some States *e g* Bihar Madr Mysore Travancore Cochin the technique of artificial inseminati has been accepted and has proved popular On the other hand other States e g Andhra Bombay Hyderabad Vindhya P and Bhopal natural service is still preferred Resistance to the ne method is however gradually diminishing and it is expected the technique of artificial insemination will soon be generally accep ed and widely used

85 *Gosadans*—While there is a deficiency of good milch cow and working bullocks there exists a surplus of useless and efficient cattle which press upon the scanty supplies of fodder order to tackle the problem of surplus cattle the Plan provided Rs lakh for the establishment of 160 Gosadans Old infirm and inferior cattle were to be segregated and sent to Gosadans which were to l located in waste lands forests and other out of the way places wi un utilised grazing facilities This scheme has made little progress Only 10 Gosadans had been established by the end of 1953-54

only Rs 3 21 lakhs out of the provision of Rs 97 lakhs had been spent The main reasons for the comparative failure of the scheme are—

(1) Large blocks of land suitable for Gosadans are not readily available

(2) Some States have not been able to find funds for meeting their share of the cost of the scheme

(3) The scheme has not received wide popular support without which it is difficult to round up and remove useless catte

86 *Veterinary Dispensaries*—The opening of more veterinary dispensaries and the provision of better means of combating epidemics particularly rinderpest are important items in the Plan for livestock improvement In many of the former princely States now classified as Part B or Part C States or absorbed in adjoining Part A States the arrangements for veterinary aid were particulary poor This deficiency is to some extent being met and new dispensaries have been set up in the last three years in the following States —

Hyderabad	52
Pepsu	25
Vindhya Pradesh	18
Himachal Pradesh	7
Madhya Pr desh	47
Orissa	10
B har	14
	173

No new dispensaries have been opened in Rajasthan and Madhya Bharat where there is considerable need for them nor in Bombay and Assam Reports from other states have not been received

87 *Training*—There is a serious shortage of trained veterinary officers which is not likely to be overcome for some time There are only 9 veterinary colleges in the country Even though some of them have increased the number of admissions significantly they are unable to meet the requirements Arrangements have therefore been made to run double shifts in the Punjab Veterinary College and the Hyderabad Veterinary College These colleges are expected to turn out 115 additional veterinary graduates from 1958-59 onwards The need for trained veterinary graduates will however increase still further and to meet this need new colleges will have to be started and the existing facilities improved

88 *Progress of Schemes*—In most States and particularly [illegible] Rajasthan the rate of expenditure on animal husbandry and [illegible] improvement has been slow In some cases this has been due to [illegible] of trained personnel but it is largely the result of the fact that [illegible] attention has been paid to the schemes of agricultural product[illegible] especially G M F Schemes

DAIRYING

89 A number of States including Bombay Madras Madhya [illegible] desh Uttar Pradesh and West Bengal had made provisions in the[illegible] Plans for dairy schemes amounting to Rs 7 81 crores

90 *Bombay Milk Supply Scheme*—The Bombay scheme aims [illegible] the removal of 17 000 cattle from Greater Bombay to a colony [illegible] Aarey and the supply therefrom of 5 000 maunds (4 10 000 lbs) of mi[illegible] per day to the city The targets and achievements upto 1953-54 [illegible] compared below with the work done before the commencement [illegible] the Plan

	Work done upto 1950 51	Work done upto 1953 54	Plan 1[illegible]
Dairy Farm Units of about 500 cattle each	17	26	30
Milk distribution centres	564	677	[illegible]00
Milk distributed (md)	1865	3500	5000

A million consumers of Bombay City or nearly 33 per cent of [illegible] population are being supplied with milk under the scheme T[illegible] Aarey colony now accommodates 14 526 heads of cattle of which 12 [illegible] are full grown animals and 1789 young stock

91 As the milk produced at Aarey is not adequate to meet the [illegible]mand of the city about 60 000 lbs of milk are obtained daily from th[illegible] Kaira District Cooperative Milk Producers Union Anand Coop[illegible] tive Milk Societies are also functioning in Poona Dharwar and Ahmedabad

92 *U P Milk Unions*—In U P the six cooperative unions organis[illegible]ed for supplying milk to the towns of Lucknow Allahabad Banaras, Kanpur Meerut and Haldwani distributed about 1 75 lakh maunds [illegible] milk in 1953-54 This compares favourably with 1 29 lakh maund[illegible] supplied in the base year 1950 51

93 *Madras Milk Unions*—Urban milk supply schemes operating in Madras State catered to the needs of re idents in Madras city Coimbatore Tiruchirappalli Madurai Tirunelveli etc The milk was collected by 41 unions with the help of 465 cooperative societies

The Madras City Cooperative Union distributed 1 1 lakh maunds of milk in 1952 53 as compared to 0 9 lakh maunds in 1949 50 Larger quantities of milk are being supplied in other towns as well

94 *Calcutta Milk Supply Scheme*—In the West Bengal the Government farm at Haringhata is daily processing about 300 mds of milk which is supplied to Calcutta city A unit for accommodating 1 300 *milch animals has been completed* The *animals will now* be shifted from the city to the colony

95 *Central Assistance for Dairy Schemes*—In the original Plan there was no provision for central assistance for dairy schemes The position was recently reviewed and special central assistance is being provided for dairy schemes out of savings from the Key Village and other schemes The following proposals have been approved in this connection

(i) Expansion of the Calcutta Scheme by providing for the removal of four thousand milch cattle from Calcutta City to Haringhata and starting a 670 acre fodder farm at Kalyani at a cost (during the Plan period) of Rs 71 lakhs

(ii) Expansion of the Bombay Scheme by starting a second colony for housing 10 000 cattle on the lines of Aarey and opening a dry cattle and salvage farm at a cost of Rs 350 lakhs during the Plan period

(iii) Scheme for removal of 2 000 milch animals from the area of Delhi These animals will be kept in a colony not far from the city where a processing plant and dairy will be located A dry stock farm will also be organised The cost of the scheme in the Plan period is Rs 47 lakhs

Forests

96 *Expenditure on Forests*—The Plan recognised that considerable expenditure would have to be incurred on strengthening the forest administration especially in areas where additional forests had come under State control This is reflected in the steady increase of expenditure on forests in the past 4 years which has risen from Rs 8 51 crores in 1950-51 to Rs 10 14 crores in 1953 54 During the same period the revenue from forests has remained more or less unchanged at about Rs 20 to 21 crores

97 The increase in expenditure is mainly due to intensification of forest management in newly formed States such as Vindhya Pradesh Saurashtra Himachal Pradesh and Madhya Bharat and also in States like U P and Bihar where on the abolition of Zamindari large areas of private forests have vested in the State Governments

98 The States made provision in their Plan for an expenditur of Rs 9 70 crores on schemes of forest development of Rs 3 46 crores or 35 per cent had been spent by the end of 19.. The progress of expenditure has not been uniform in all the in Rajasthan Himachal Pradesh and Travancore Cochin it has particularly slow and only 14 4 and 3 per cent respectively of planned expenditure was incurred during the first three years Th is primarily due to the paucity of trained personnel to man newly organised Forest Departments in these States

99 *Forest Communications*—The development of forest c nications is an important item in any programme of forest de ment Assam State spent Rs 7 78 lakhs under this head in the three years against the Plan provision of Rs 12 4 lakhs As a resul 57 miles of new construction and 185 miles of road im were undertaken The expenditure incurred by the Madhya desh State Government on forest roads during the same pe amounted to Rs 3 6 lakhs against only Rs 2 85 lakhs earmarke for it in the Plan About 150 miles of roads were constructe In Orissa a sum of Rs 2 34 lakhs was spent Roads extendi over 187 miles were completed in the first three years

100 *Treatment of Timber*—The annual out turn of timber in country is about 2 million tons of which only a very small consists of naturally durable timber like teak and sal C quently we have been importing about 20 000 tons of teak at a cost of about Rs 2½ crores The need of popularising h th less known timbers after suitable treatment with preservatives v emphasized in the Plan but not much progress has been made this direction so far The question of setting up treatment plan at four or five centres is under consideration

101 Increased supplies of timber are also being obtained from Andamans Whereas in the year 1951 52 only 7 500 tons of hard soft wood were supplied the figure was about 25 000 tons in year 1953 54

102 *Matchwood Plantations*—The forests are an importar source of raw material for the matchwood ply wood and paper in dustries A provision of Rs 7 lakhs was made in the Plan for the lopment of matchwood plantations out of which Rs 2 17 lakhs h been spent by the end of 1953 54 Plantations of trees suitable fo the match industry are being raised in Assam Madhya Pradesh Madras U P and Travancore Cochin In addition about 15 000 tons of match wood timber are being obtained from the Andamans

Similarly the Andamans are a source of supply of ply wood tim ber About 10 000 tons are being obtained annually

103 *Forest Tribes*—The development of the forests is closely connected with the welfare of the forest tribes and the labourers who are employed for exploiting the timber In Bombay State in order to protect their interests and improve their condition coope rative societies of Adibasis and forest labourers have been formed They are allotted contracts for working forest coupes for the cons truction of roads and buildings and the undertaking of various sea onal operations In Madhya Pradesh Andhra and Vindhya Pradesh also similar measures have been initiated

SOIL CONSERVATION

104 *Central Soil Conservation Board*—In pursuance of the re commendations made by the Planning Commission a Central Soil Conservation Board was constituted by the Government of India in December 1953 Important functions of the Board are to organise coordinate and initiate research in soil conservation to assist the States and River Valley Authorities in drawing up schemes of soil conservation to arrange for the training of technical per onnel and to recommend financial assistance for schemes of States and River Valley Authorities

105 A sum of Rs 2 crores was earmarked in the Plan for provid ing Central assistance for these schemes This provision was reduced to Rs 1 crore as no expenditure was incurred in the first three years A good deal of organisational and other preliminary work has how ever been don Fifty three schemes received from the States have been scrutinised and seven schemes costing Rs 16 36 lakhs have been approved for execution in 1954-55

106 *Regional Research and Training Centres*—Apart from sanc tioning financial and technical assistance for the schemes received from the States the Board has decided to start the following seven regional training research and demonstration centres —

1 Myso e	Bellary
2 Bihar	Hazaribagh
3 Rajasthan	Kotah
4 Rajasthan	Jodhpur
5 Hyderabad	Sahibnagar
6 U P	Dehra Dun
7 Madras	Ootacamund

These centres will work out techniques suitable for the local areas and will arrange for their demonstration

107 *Soil Conservation in River Valley Areas*—Soil conservation work on a large scale has not yet been undertaken in the catchment areas of River Valley Projects A scheme for the Kosi Catchment area is however, under consideration

108 *Immobilisation of the Desert*—The Board has also devoted some attention to the problem of desert control It has approved of schemes for immobilization of the Kutch desert and Coastal and for afforestation of the U P and Rajasthan border A loan o Rs 14 8 lakhs has been agreed to for these schemes A Desert A station Research Station has been functioning at Jodhpur The Station carries out studies on the silviculture of various indig nous species A Central Nursery is being maintained there and nurseries have been established at Barmer Beriganga and G dr Road The Station maintains a Central Seed Store and 50 000 lbs seed of 128 species were collected In 1953 54 26 450 lbs of seed of various species was supplied besides 28 960 plants It is prop to create a green belt on the western border of Rajasthan about miles long and 5 miles broad

109 *State Schemes*—For coordinating soil conservation work various departments at the State level the Plan recommended a Land Utilisation and Soil Conservation Board should be set u in every State Such boards have been set up in 17 States so fa Little information is available about their working

110 The State Governments have however provided in Plan a sum of Rs 4 52 crores for Soil Conservation Schemes Th provision is found both under 'Forests and Agriculture and ir cludes schemes for afforestation and other works such as leve contour bunding etc

111 The State of Bombay has already spent Rs 198 38 lakhs on con tour bunding and land improvement schemes in the first three ye of the Plan and has raised the original provision of Rs 144 7 lakhs Rs 380 lakhs Some progress has also been made in the States U P Madhya Pradesh Pepsu and Himachal Pradesh In Pepsu sum of Rs 10 lakhs has been spent for putting up field embankme on 3 200 acres and for afforesting 8 400 acres in the Siwalik Hills One hundred miles of hill torents were trained and 625 check dar have also been put up in the same region

FISHERIES

112 The Plan provided a sum of Rs 5 14 crores for fishery deve lopment by the States and the Centre Out of this a sum of about Rs 1 3 crores (25 per cent) has been spent in the first three years

A scheme for the expansion and modernisation of marine fisheries was also evolved in 1952 under the Indo U S Technical Aid Programme The total estimated joint cost for 1952 and 1953 programmes is $ 30 17 lakhs and Rs 97 30 lakhs

113 *Inland Fisheries*—For developing inland fisheries the waters have to be stocked with fry and fingerlings This work has progressed satisfactorily in Madras Bombay Bihar and Orissa Madras collected nearly 300 lakhs of fry and fingerlings in 1953 54 the corresponding figure in 1950-51 being less than 150 lakhs In Bombay about 6 3 lakhs of fry were distributed in 1953 54 against 2 akhs in 1950-51 In Bihar 17 fry centres have been started They d stri buted 133 lakhs of fry in three years whereas the target was set at 120 lakhs In Orissa the fry distribution amounted to 84 lakhs the target set being 150 lakhs The progress in other States is not satisfactory mainly because the fishery departments are not yet well organised.

114 *Marine Fishing*—As regards marine fishing the mechanisation of the existing boats and the introduction of new powered craft of various types are items of high priority in the Plan A target of equipping 140 boats with marine engines was set which has been exceeded In Bombay 200 boats have been mechanised in the last three years In Madras also 12 boats have been fitted with engines and in Travancore Cochin experiments in mechanisation are being undertaken (*vide* para 121)

115 *Deep Sea Fishing*—The Deep Sea Fishing Station Bombay which is operating two cutters and two boats has completed surveys and charting of 12 000 sq miles within a 40 fathom line of the Bombay and Saurashtra coasts These vessels landed the following catches —

1951 5	18 tons
195 53	2 4
1953 54	410

The substantial improvement in the operations during 1953-54 is due to the fact that two trawlers have been renovated with T C M equipment

116 Exploratory fishing is also being carried out by the West Bengal Government with two cutters—Baruna and Saganka The table below shows that their catches for the last four years have shown a steady increase

1950-51	190 65 tons
1951 52	280 45
1952 53	368 60
1953 54	363 00

117 *Commercial Fishing*—During the last three years a ' nese Trawler—Taiyo Maru 17 has undertaken commercial operations on the West Coast It brought the following catches

1952 53	1115 8 tons
1953 54	863 0
1954 55 (first 7 months)	488 0

Because of these successful results private firms (both Indian foreign) are beginning to take an interest in coastal fishing a some concerns have been floated for undertaking this work

118 The vessels of the Deep Sea Fishing Station Bombay , Japanese Trawler and the West Bengal cutters are also being ed for providing training in power fishing The services of Japanese and 10 Norwegian experts have been obtained under U S Technical Aid Programme and Nowegian Aid Prog respectively The Japanese technicians are working at the r Sea Fishing Station Bombay while the Norwegians are located Travancore-Cochin

119 Considerable technical skill and adequate experience is quired for running and maintaining mechanised boats Train- facilities for this purpose are being provided at two centres organised by Bombay and Saurashtra and by Madras and core Cochin

120 *Technical Cooperation Programme*—Under the Indo I Technical Cooperation Programme some equipment has already received and 108 cases of marine diesel engines have been Three bull trawlers meant for Bengal are expected to arrive October 1954 Indents have also been placed for other items ed in the Plan *e g* two mother ships two purse seiners etc

121 *Norwegian Aid Programme*—In Travancore Cochin a p project has been undertaken with Norwegian Aid near Quilon aims at the all round improvement of the fishing community cost of the project is expected to be Rs 38 lakhs The of modifying existing boats was tried so as to make them for the installation of engines but was not altogether successi However a 20 foot model boat brought from Norway has good results and may be adopted as a pattern for boat constructi A cold storage plant and ice factory are also being located in area

For improving the health of the fishermen and their famili two health centres have been opened and arrangements are being made for improving the water supply

122 For providing quick transport of fish all the eleven insulated vans have been received under the Indo U S Technical Co-operation Programme for use in the States of Bombay Madras Travancore Cochin etc These vans will be operated either directly or by the Govt or through co-operative organisations

123 *Supplies and Services*—About Rs 60 lakhs were provided in the Plan for facilitating the distribution of supplies to fishermen and subsidising costly items of equipment At present Bombay Saurashtra and Madras subsidise supplies such as salt yarn etc Madras spent a sum of Rs 8 lakhs in the last three years on the sale of salt at concessional rates for the fish curing yards

124 *Cold Storage Facilities*—Cold storage facilities and the use of ice enable larger quantities of fish to be marketed thereby increasing the earnings of the fishermen The Plan envisaged 9 ice factories and cold storage plants being established in Madras Bombay and other maritime States In Madras two cold storage plants are being established at Kozhikode and Mangalore In Bombay the cold storage plant set up at Satpati before the commencement of the Plan continued to function but the target of establishing four cold storage plants between 1951—54 was not achieved by the State because the machinery for this purpose indented under the Indo U S Agreement had not arrived

125 *Training*—The existing fisheries staff in most States requires intensive training for which adequate provision had not been made To meet the gap the Government of India have instituted a ten months training course at the Inland Fisheries Station at Calcutta So far 57 candidates have completed the training at this Centre and 17 are under training

Chapter IV

COMMUNITY DEVELOPMENT PROGRAMME AND NATION EXTENSION SERVICE

A year and ten months have elapsed since October 1952 when number of community projects and development blocks were rated in different parts of the country under the Community lopment Programme It is now possible on the basis of the available to review the progress of work in these projects and during the first year and a half of their operation The last months have also seen the expansion of the Community Deve Programme through the taking up of additional community deve ment blocks as well as the country wide inauguration of the Extension Service

2 The programme during the first Five Year Plan is to about one fourth of the rural population of the country under Community Development Programme and the National Extens Service This means that about 74 million people out of a total population of about 295 million will be brought within the scope the programme The following table shows the population by the projects and blocks allotted in 1952 53 and 1953-54 —

1952 53 Community Projects and Development Blocks (*167 blocks*)	18 03 millions
1953 54 Community Development Blocks (*53 blocks*)	3 93 millions
1953 54 N E S Blocks (259 blocks)	18 70 millions
TOTAL	40 66 millions

3 The aim of the National Extension Service is to bring abo a change in the mental outlook of the people and to instill in an ambition for higher standards of life and the will and the mination to work for such standards This is es entially a problem—how to change the outlook of the 70 million families in the country side arouse enthusiasm in them for new and new ways of life and fill them with the ambition and the to live a better life

4 The basic principles of the programme are —

(a) The motive force for improvement should come from people themselves The vast unutilised energy lyi dormant in the country side should be harnessed

constructive work every family devoting its time not only carrying out its own programme but also for the benefit of the community

(b) The co-operative principle should be applied in its infinitely varying forms for solving all problems of rural life

5 There are three directions in which the movement seems to ng about a change of outlook. The first is increased employment d increased production by the application of scientific methods agriculture including horticulture animal husbandry fisheries and the establishment of subsidiary and cottage industries

The second is organising the community for co-operative endea ur The aim is to ensure that there is at least one multi purpose operative society in every village or groups of villages on which actically every agriculturist family is represented

The third is organised effort for works of common benefit to the mmunity The village needs roads tanks schools health centres It is necessary that the villagers should feel that all these needs n be satisfied by their joint efforts

6 Recommendations regarding the organisational pattern for the plementation of the programme were made in Chapter VI of the M.F Enquiry Committee Report and in Chapter VII of the Plan ng Commission s Report on the First Five Year Plan In every ate there is a State Development Committee consisting of the nief Minister and the Ministers in charge of development depart ents for laying down general principles of policy regarding the iplementation of the National Extension Service Programme The evelopment Commissioner is the Secretary of this Committee He also for purposes of co-ordination the leader of the team consist g of the heads of departments or Secretaries to Government in e various development departments To achieve co-ordina ion at e district sub-divisional and block levels functions similar to those the Development Commissioner have been entrusted to the ollector the Sub-Divisional Officer and the Block Development fficer respectively The multi purpose Gram Sevak who is the last nk in this administrative chain is treated as a part of he District dministration The significant thing about the administrative rangements is that it aims at the transformation of the existing eneral administrative cadres of Government into welfare cadres ather than the establishment of a separate welfare cadre distinct om the normal machinery of the Government This implies that ie machinery which was at one time devised to look after the func ions of revenue collection and maintenance of law and order is being

changed into a Welfare Administration and the resources of all development departments of Government are being utilised to maximum advantage for a concerted attack on the problem development

7 Alongside the administrative organisation the N.E.S. programme aims at the closest co-operation with the best leadership at every stage Development Programmes are drawn after the fullest discussions with the people and their at variou levels At the village level the Panchayat is al utilised in the planning as well as the implementation of the programme In areas where Panchayats do not exist or are efforts are being made to encourage the growth of *ad hoc* statutory village development councils called variously as the Vikash Mandals Gram Mangal Samities Gram Sewa Sanghams Through these bodies effective participation of the people in planning and the implementation of the plan is secured P drawn up by these village institutions are considered by adv committee at the block level consisting of representatives of vil committees the members of the State Legislature and the P ment representatives of co-operative societies progressive etc The development programmes of the blocks drawn up by block advisory committees are then integrated into the district by a district development committee consisting of the pr non officials as well as the heads of various technical dep at the district level Thus at every stage the official and the official organisations are working together for evolving and imp menting the programme The Central Government is also assist the State Governments with grants of half the additional cost setting up extension staffs and also will make every effort to by the end of the Plan period short term credits of Rs 100 a year medium term credit of Rs 25 crores a year and long credit of Rs 5 crores a year through the co operative movement a other agencies

8 The success of the programme is to be judged by the extent which it succeeds in producing the change in outlook in all directions The basis which should be applied in evaluating t work are Has every family got a plan of improvement for which puts forth its best effort and utilises improved techniques seeds manures and fertilisers etc and has it also got subsidiary occupations for the period for which it is not engaged in agriculture? H every family in the area become credit worthy, and is every family represented on its own qualifications in at least one co ope at society? Has every family made its own contribution to works c common benefit to the community in the form of money or labour How far has the interest of women and the youth in villages bee

enlisted in this compaign? Hav all these become part of the permanent life of the village and not a mere temporary phase? It would be difficult to give a precise answer to these questions at this stage but it can safely be stated that a significant percentage of families in the villages have been touched by the programme

9 Summing up their views on public participation in their Report the Programme Evaluation Organisation ha ob erved—

> The experience gained hitherto proves that if the objectives are such as evoke general acceptance if the participation and sacrifices are evenly and justly distributed and if disinterested and competent leadership is forthcoming there are no limits to which people will willingly and almost devotedly stretch themselves in furtherence of a common cause

PROGRESS OF WORK AND EXPENDITURE

(i) *Community Projects and Blocks allotted in* 1952-53

10 Detailed information on the progress of work and expenditure in respect of the community projects and development blocks allotted in 1952 53 is available for a period of 18 months ending March 1954

Substantial advance was made in the execution of the Agriculture Programme in the community project areas during this period Thus over the project areas of the country as a whole 241 966 compost pits were dug 1 030 573 mds of fertilizers 383 835 mds of seeds 25 075 agricultural implements of various sorts were distributed 16" 238 demonstrations were held 14 693 acres of land were brought under fruits and 28 799 acres under vegetables and 104 091 acres of land were reclaimed In addition a substantial number of wells and tanks were constructed and repaired pumping sets installed and various other irrigation measures undertaken whereby an additional area of 310 957 acres of land were brought under irrigation

In the field of animal husbandry 383 breeding centres (including key village and artificial insemination centres) were started 117 783 bulls were castrated 716 pedigree bulls supplied 2 22 million head of cattle inoculated and vaccinated and 752 234 head of cattle treated. Besides 20 497 pedigree birds were supplied For the development of pisciculture 2 5 million fish fry were distributed

The construction of village roads was a prominent feature of community development work. Thus 5 827 miles of kacha (un metalled) roads and 303 miles of pacca (metalled) roads were constructed

There was also substantial activity in the field of rural health and sanitation Thus 29 758 soakage pits 8 056 rural latrines and 311 029 yds of drains were constructed Besides 2 137 drinking water wells were constructed and about 32 578 wells renovated

In the sphere of education and social education 2 052 new schools were started and 683 existing schools converted into schools of the basic type 5 764 adult education centres and 5 727 recreation centres were started As for village housing 4 152 houses were newly constructed and 82 484 renovated

11 Total Government expenditure, inclusive of the cost of imported equipment during the period from October 1952 to March 1954 amounted to Rs 5 95 crores The total budget approval for the three year period for which the 1952 53 community projects and blocks have been programmed amounts to Rs 32 60 crores Calculated as one half of the total budget approval for the three year period the target of total Government expenditure upto the period ending March 1954 works out at Rs 16 30 crores The actual total Government expenditure inclusive of the cost of imported equipment thus amounted to 36 53 per cent of the target In this connection it should be borne in mind that since the first six months of the period concerned were spent mostly in taking preparatory measures and since the execution of the programme in the initial stages was hampered by the lack of trained personnel the full amount of the targeted expenditure could not be expected to be spent during this period The largest shortfalls in Government expenditure occurred in the fields of irrigation and communications The progress of expenditure was best under the head State and Project Headquarters the actual expenditure having amounted to 64 98 per cent of the targeted expenditure The next best advance was recorded under agriculture and animal husbandry the actual expenditure under which amounted to 45 35 per cent

A significant and heartening feature of the quarter ending March 1954 was a great acceleration in the rate of total Government expenditure as compared with the preceding quarters

12 An important criterion of the achievement of the community projects and development blocks is the extent of the voluntary contribution of the people under the various schemes The total voluntary contribution of the people in cash labour materials etc upto the period ending March 1954 amounted to Rs 2 63 crores which was a little less than half the total Government expenditure incurred during the same period

(ii) *Community Development Blocks allotted in 1953-54*

13 Progress data received for the six month period ending March 1954 in respect of the Community Development Blocks allotted in 1953-54 show that material progress was made in the field of Agriculture Thus 16 260 compost pits were dug 30 999 maunds of fertilisers and 51 544 maunds of seeds were distributed 318 acres of land were brought under fruits and 1 564 acres of land under vegetables and 5 357 acres of land were reclaimed Besides 14 035 additional acres of land were brought under irrigation

In the field of animal husbandry the principal activities consisted of the castration of 11 719 bulls the inoculation and vaccination of 273 357 head of cattle the treatment of 30 187 head of cattle and the distribution of 4 762 fingerlings

Material progress was made in the field of communications 766 miles of kacha and 19 miles of pucca road were constructed

The total Government expenditure in the Community Development Blocks concerned amounted to Rs 39 56 lakhs which worked out at the rate of Rs 74 600 per Development Block The people s contribution in various forms amounted to Rs 19 55 lakhs

(iii) *N E S Blocks allotted in* 1953 54

14 Progress data received for the six month period ending March 1954 is available in respect of 212 N E S Blocks out of the 259 blocks allotted in 1953-54 These data indicate that some advance was made in the execution of agriculture and animal husbandry programmes *The principal achievements in these fields consisted of the distribu* tion of 142 350 maunds of fertilisers and 39 666 maunds of seed the bringing of 2 359 acres of land under fruits and 13 813 acres under vegetables the reclamation of 19 218 acres of land the provision of irrigation facilities to 78 108 acres of land the treatment of 217 787 head of cattle and the distribution of 56 418 fingerlings Work in the field of communications consisted of the construction of 1 739 miles of kacha roads and 71 miles of pucca roads

The total Government expenditure for the N E S Blocks concerned amounted to Rs 44 14 lakhs which worked out at the rate of Rs 21 040 per block It is noteworthy that the voluntary contributions of the people during the same period exceeded the total government expenditure having amounted to Rs 46 02 lakhs

Training Programme

15 Mention must be made of the arrangements for the training of certain categories of personnel required for the community projects and N E S Blocks 34 Extension Training Centres have

been set up in different parts of the country for imparting training in rural extension to multi purpose village level workers and supervisory personnel One more centre is reported to have recently gone into operation According to the latest reports available 4,396 village level workers and 738 supervisory staff were trained by the end of June 1954 Besides 1 921 village level workers and 138 supervisory staff were under training

16 For the personnel required for the Social Education programme 5 training centres were started in April 1953 at Nilokheri, Hyderabad Gandhigram Allahabad and Shantiniketan So far 64 Chief Social Education Organisers and 462 Social Education Organisers have been trained at these centres 244 Social Education Organisers are reported to be under training at present

17 A special training programme for the Block De Officers who will be incharge of the community projects and N E S blocks has been taken up at three training centres *viz* Nilokheri, Hyderabad and Ranchi 186 block development officers have been trained so far and another 31 are under training

18 In order to overcome the acute shortage of certain categories of health personnel *viz* lady health visitors and midwives a has been finalised for providing additional training facilities for personnel Moreover arrangements have been made for training new category of auxiliary personnel *viz* nurse/midwives training of lady health visitors for certain States which are defici in this category of personnel has been started at the Lady Reading Health School Delhi

19 Finally arrangements have been made for the holding of two orientation courses for (i) Health Instructors teaching health subjects at the Extension Training Centres and (ii) Health Personnel (health visitors doctors midwives and sanitary inspectors) working in the community project areas at three centres *viz* Singur in West Bengal Poonamalle in Madras and Najafgarh in Delhi

The fir t course of training for health instructors teaching at the Extension Training Centres was held only at the Singur Health Centre in West Bengal from 15th November 1953 to 15th January 1954 10 Health Instructors attached to different Extension Training Centres took the first course at Singur

Two orientation courses for the health personnel working in the community project areas have so far been held in the three training centres and 110 persons have been trained

CONCLUSION

20 From the operation of the programme during the past 18 months it is now clear that a pattern of social and economic life has been placed before the country which it will be the aim of the Welfare State to bring into existence The results so far obtained have been on the whole encouraging and as the administration and the leaders of the villages and other associations gain more experience there are grounds for the hope that the movement will gather momentum What is essential is that the movement should retain its vigour and dynamism as a genuine people s movement ever adapting itself speedily to the new demands and new situations that will arise In the words of the Prime Minister's message to the Third Development Commissioners Conference at Ootacamaund in May last—

> The last two years or so have I think justified thi great experiment and both those who are in some sense connected with this vast undertaking and the general public have begun to realise the significance of this work It is not merely working for some improvement in some selected places The conception is much vas er It means really covering the whole of this great country and building up a new India from the roots upwards

Chapter V

EVALUATION OF RURAL PROGRAMMES

An exact assessment of the impact of rural programmes in community projects and national extension blocks on production, employment and the incomes of rural people is an extremely difficult task in view of the fact that the Evaluation Organisation's systematic and continuous observation extends only to a few among the expanding number of community projects and extension blocks. Even in areas where intensive observation is carried on the task is rendered difficult for a number of reasons the principal ones being the absence of (i) accurate base-line data (ii) systematic efforts at estimation of physical achievements (iii) uniformly realistic fixation of targets and (iv) systematic reporting through properly maintained basic records In view of this only a general assessment can be attempted at this stage

2 Compared with the year 1952 53 during which the community project were launched the year under report indicates distinct gains as regards agricultural production Indeed in the anxiety of the people to move forward quickly on a material plane the need of co operative action have tended to be subordinated in several places Aided by a favourable monsoon the programmes for increasing agricultural production such as the use of the Japanese method of paddy cultivation use of fertilizers and so on have taken firm root Effective demonstrations of these programmes in the earlier stage have given a fillip to their adoption at an accelerated rate during 1953-54 and the current year For instance a study based on 3 498 demonstration plots for Japanese paddy in Bombay State indicates an increase in yield from 2 205 lb per acre by the local method to 3 477 lb per acre by the Japanese method in 1953 54 The calculations also show that the increase in net profits per acre comes to about Rs 85 In the Bhathat Development Block in Uttar Pradesh the yields of improved varieties of wheat show an increase from 20 to 40 per cent over the yields of local varieties About 75 per cent of wheat area is saturated with improved varieties In Bhadson project of PEPSU the total area under cotton has increased from 3 770 acres in 1951 52 to 6 600 acres in 1953 54 During the same period the area under American variety increased from 472 acres to 6 200 acres the main incentive behind the higher relative increase in the acreage of cotton of American variety being the higher price

fetched by that variety Chemical fertilizers which had to be stock piled once are now reported to be in short supply Thus the success of new tillage which consists in better seeds better cultivation methods better fertilizers and a more plentiful and assured supply of water is already an accomplished fact and the overall effect is so striking and obvious that there can be no doubt that the object of increasing production is being steadily attained

3 While new methods of tillage have no doubt contributed to an increase in production the overall impact of rural programmes on employment can hardly be stated in the same categorical way It is not unlikely that more efficient methods of tillage accompanied by legislative measures such as consolidation of holdings and prevention of fragmentation have acted to some extent even if only as a transitory stage of development activity as a brake on increasing total employment in certain needy sectors of the rural population Complaints of ejectments from land held previously are also not unheard of For the non agricultural pursuits there is little by way of direct addition that the community projects have themselves to offer They can make a contribution to the solution of the problem of unemployment in the country only upto a point For a fair sized section of the rural population the highest felt need is land It is part of wider economic and social policy to plan an overall scheme of present and future employment of the people The community development schemes are contributing to this movement for social and economic change which will spell an overall adjustment between resources and employment through augmentation of total resources and inculcation of a progressive outlook among the people

4 Assessment of incomes is a still more difficult problem However it is to be observed that the increasing facilities made available are already affording more opportunities to the tiller of the land to turn to more remunerative crops Thus in some areas a tendency to replace paddy by sugarcane cultivation as a result of increasing irrigation facilities is already in evidence Better varieties of cotton are replacing the indigenous ones at a rapid pace in the expectation of better price and higher net returns

5 While it is difficult to obtain a physical measure of achievements and progress there are unmistakable indications of an all round progress in general enlightenment and reformist activity Whether it is education or health or economic activity there is a definite departure from traditional ways of thought and action Not only is education desired to the point of taking advantage of available facilities but people of all classes and condition are prepared to sacrifice even some of their essentials for providing educational facilities for their children Moreover they are no longer satisfied

with any type of education but insist that they must have a education which will raise their economic and social position. In health matters it cannot be said that the importance of environmental hygiene or of preventive sanitation has been sufficiently appreciated by villagers. Efforts in this respect will no doubt need intensification. But the superstitious or morbid attitude on ailments is being replaced by more human and rational ideas. Villagers are becoming increasingly medicine minded and out of this will arise new cultural changes of far reaching importance. In most parts artificial insemination of cattle is being accepted as almost a natural if not a better method of cattle breeding. As indicated earlier several improved practices for plant breeding and cultivation are being adopted. All told in cultural and psychological, no less than in the technological sphere a major change of a progressive character has been gathering strength in the rural areas.

6 The increasing tempo of development work in rural areas is amply reflected in the higher level of expenditure and narrowing down of the gap between the sanctioned amounts and actual expenditure during 1953-54 as compared with expenditure pattern in 1952-53. In 1952-53 the total expenditure was Rs 1 94 crores against a sanction of Rs 7 74 crores. The corresponding figures for the year 1953-54 are likely to exceed these levels. The percentage of expenditure to sanctioned amounts is also expected to be higher. The initial period was mainly taken up in preparatory measures such as recruitment and training of personnel, overcoming the initial resistence of the people to new ideas streamlining the administrative set up and orienting the attitude of the administration towards developmental work, setting up more speedy accounting procedures etc. Having got through the preparatory stage, efforts could be directed to implementation of programmes the impact of which is now being increasingly felt in terms of increase in production and above all in the growing realisation of the mass of rural people for better way to live. Old habits of thoughts and action are being discarded with an unsuspected ease.

7 An interesting feature is the *emergence of different patterns* of development activity in different areas during the year under report presumably arising out of concerted efforts on the more strongly felt need of each area. As the reports from various evaluation centres indicate notable progress has been recorded in road construction and installation of pumping sets in the Punjab, in land reclamation and construction of tube-wells in PEPSU, in construction of filter point tube-wells in Andhra, bandharas in Kolhapur Bombay State and so on. While rural arts and crafts find last place in almost all areas the emphasis in Travancore-Cochin appears to be shifting from agricultural to cottage and small scale

industries These varying patterns of development will no doubt make for the increasingly achievement of the four fold objectives of the Community Projects *viz* (i) more employment (ii) more production (iii) co operative efforts and (iv) progressive outlook of the rural people through optimum use of available resources

Chapter VI

LAND REFORMS

Measures for agrarian reform can be judged by two standards namely the extent to which the land system becomes capabl promoting economic development and yielding increased producti and the extent to which it serves the objects of social justice in securing to the cultivator permanent rights in the land and a fa reward for his labour The Five Year Plan lays emphasis on bo these aspects In addition to certain structural changes in the rura economy it recommends various measures for promoting the effic ency of agriculture and increasing production

2 The measures of land reform which following in the main th recommendations made in the Plan the various State Governmen have undertaken in the pa t few years fall generally into four bro classes —

(1) The abolition of intermediaries

(2) Tenancy reforms designed —

(a) to scale down rents to 1/4th or 1/5th of the produce

(b) to give tenants permanent rights subject to the land lord s right to resume a minimum holding for his per sonal cultivation within a limited time

(c) to enable tenants (subject to the landlord s right of re sumption for personal cultivation) to acquire owner ship of their lands on payment of moderate compen sation to the landlord spread over a period of years

(3) Fixing of ceilings on holdings

(4) Re organisation of agriculture including the consolidation of holdings the prevention of fragmentation and the development of cooperative village management and co-operate farming

It is the purpose of this chapter to give a brief review of these measures

3 *Central Committee for Land Reforms*—In pursuance of a re commendation of the Planning Commission the Government of

India have constituted a Central Committee for Land Reforms This Committee consist of the Chairman and Members of the Planning Commission as well as the Minister for Home Affairs and States the Minister for Food and Agriculture and the Minister for Agriculture The Central Committee is assisted by a Land Reforms Division in the Planning Commission working in close co-operation with an appropriate section in the Ministry of Food and Agriculture Since its inception in May 1953 the Central Committee have considered and advised on the land reform proposals of the Punjab Mysore Pepsu Delhi and Himachal Pradesh Governments at various stages The views taken by the Committee during consideration of these proposals have also served as a general guide in the examination of proposals of other States referred to the Government of India from time to time

4 *Abolition of Intermediaries*—In a considerable area of the country semi feudal conditions prevailed the land being owned by intermediaries between the State and the actual tiller of the soil Such tenures included (i) permanently settled estates (ii) temporarily settled estates (iii) jagir talukdari and Inam lands and (iv) special non ryotwari tenures

5 Since independence the abolition of intermediaries has been accepted as a policy by all the State Governments Legislation had been undertaken in some States for the purpose prior to April 1951 when the Plan period began and had in a few cases been partly implemented Taking the country as a whole the progress was slow The Planning Commission accordingly recommended that the process should be expedited This gave a stimulus to the abolition of intermediaries and considerable progress has since been made

6 Prior to April 1951 legislation had been undertaken for the abolition of intermediaries in Bihar Madhya Pradesh Madras (also Andhra) Uttar Pradesh and in respect of certain non ryotwari tenures in Bombay (Bhagdari Narwadari Talukdari Vazifdari and Khoti) Hyderabad (Jagir) and Pepsu (Biswedari)

So far as implementation of the legislation is concerned all proprietary rights in estates had been vested in the State in Madhya Pradesh more than half the estate had been acquired in Madras and Andhra all jagirs had been resumed in Hyderabad Biswedari partially abolished in Pepsu and certain non ryotwari tenures taken over in Bombay

Action in Bihar and U.P was held up on account of suits by Zamindars contesting the validity of the Acts

7 During the Plan period legislation has been adopted in Assam, Orissa Punjab West Bengal Madhya Bharat Pepsu Rajasthan, Saurashtra *Bhopal* Delhi and Vindhya Pradesh and certain amendments have been made in the legislation in Bihar and Assam In Bombay some other non ryotwari tenures have been abolished and some of the measures extended to merged territories and areas

In Himachal Pradesh a Bill (returned to the State Leg with a President s Directive) has recently been passed In Mysore, legislation has been undertaken for abolition of certain Inams, and in Hyderabad a Bill has been introduced in the State Assembly for the abolition of Personal Inams

8 Although legislative measures have been undertaken or proposed in most of the States the progress of implementation has on the whole slow The principal obstacle to speedy has been the lack of revenue records and administrative machinery in such areas The position is briefly summarised below —

(i) Abolition of intermediaries has been either fully or tially implemented in the following States —

Bombay	Madhya Bharat
Madhya Pradesh	Pepsu
Madras and Andhra	Saurashtra
Punjab	Bhopal
Uttar Pradesh	Vindhya Pradesh
Hyderabad	

(ii) The abolition has been partially implemented in —

Bihar

Orissa

Rajasthan

(iii) Legislation for the abolition of intermediaries has not yet been implemented in —

Assam	Himachal Pradesh
West Bengal	Delhi
Mysore	

(The Bills of Mysore and Hima ial Pradesh have not yet received the President s assent)

(iv) Legislative measures have yet to be undertaken in respect of the following areas and tenures —

Assam (in respect of temporarily settled areas)

Madras [in respect of jenmi tenures and estates in Malabar, inam villages which became estates by virtue of the Madras Estate Lands (Third Amendment) Act 1936 and inam estates comprising area less than a village]

Uttar Pradesh (in respect of Kumaun division)

Hyderabad (in respect of village service inams and inams for religious and charitable institutions)

Madhya Bharat (in respect of inam and muafi lands)

Mysore (in respect of village service inams)

Rajasthan (in respect of zamindaries)

Travancore Cochin (Bills have recently been introduced)

Ajmer

Coorg

Kutch

9 In all the States with the exception of Jammu and Kashmir, intermediaries are being abolished on payment of compensation prescribed by law The total estimated amount of compensation payable by the State Governments (in cases where the law has already been enacted) comes to about Rs 370 4 crores besides rehabilitation grants amounting to Rs 89 9 crores making a total of Rs 450 3 crores U P and Bihar are the two States which carry the highest liability and their combined share comes to nearly 70 per cent of the whole amount Generally there will be a net additional increase in State revenues as a result of the abolition of intermediaries due to the difference between the rental assets and the present land revenues even after taking into account loss of revenue from agricultural income tax stamp duty etc and the expense of maintaining revenue machinery for collection of land revenue and management of estates For some time however during the period in which instalments of compensation will be payable there may be a strain on State finances in some of the States

10 *Tenancy Reform*—The principal recommendations for tenancy reform contained in the Plan related to—

(i) scaling down of rents

(ii) security of tenure and

(iii) grant of right to tenants to purchase their holdings

The Planning Commission s main recommendations on these subjects were as follows —

(1) that a rate of rent exceeding 1/4th or 1/5th of the produce should be regarded as requiring special justification

(2) that existing tenants should have the right of occupancy subject to the landlord s right to resume a limited area for personal cultivation and that tenancies in future should ordinarily be for to 10 years resumption being permitted if the owner him elf wishes to cultivate

(3) that tenants of areas not resumable by the landlord should get the right of purchase—the price being determined in terms of multiples of the rental value of the land and payment being in instalments and

(4) that owners should be required to exerci e the right to resume land for personal cultivation within a period of five years failing which the tenants should get the right to buy the land as in (3) above

11 The present position in the States regarding these matters described in the following paragraphs

12 *Rents*—In many States maximum rents are prescribed law which do not exceed the limit suggested by the Planning Commission Further action for reducing rents or for prescribing maximum limit is necessary in the following States —

Madhya Pradesh Orissa Madras Andhra Punjab, West Jammu and Kashmir Madhya Bharat (in respect of ordinary and sub tenants in Ryotwari areas) Mysore Pepsu T Cochin and Bhopal

13 *Security of Tenure and Right to acquire Ownership*—present position in the different States may be broadly as follows —

(1) Land reform legislation has been adopted in Uttar Pradesh and Delhi enabling all persons in cultivating possession to retain their lands and to acquire ownership The policy underlying the legislation i that no person in cultivating possession should be dispossessed of his land The Rajasthan Government have also accepted this principle and their tenancy Bill is before the State legislature In Madhya Bharat all sub tenants in Jagirdari and Zamindari areas have been given the right to acquire ownership but if they fail to exercise the right within a period generally of two years from the commencement of the Act they become liable to immediate ejectment

(2) With a number of variations in each State the recommendations of the Plan regarding the landlord s right to resume a limited

area for his personal cultivation the conferment of security of tenure upon tenants in non resumable areas and the right to purchase ownership have been adopted in the following States —

Bombay Hyderabad Punjab Pepsu Saurashtra Himachal Pradesh Kutch

In the Punjab the right of purchase has been given only to those tenants who have held the land continuously for 12 years

(3) The right of purchase has not been conferred in the following States but the landlords right of resumption has been restricted and tenants given security of tenure —

Madhya Pradesh (in respect of Berar) Madras (in respect of Malabar) and Mysore

(4) In the States mentioned below the recommendations in the Plan in respect of tenants at will have not been adopted —

Assam Bihar Madhya Pradesh (in respect of the area formerly known as Central Provinces) Madras (in respect of reas other than Malabar) Orissa Andhra Madhya Bharat (in respect of ordinary tenants and sub-tenants in ryotwari areas) Travancore Cochin in respect of Travancore area for which however a Bill has recently been introduced) Ajmer (in respect of sub tenants) Bhopal Coorg Manipur Tripura Vindhya Pradesh Eviction of tenants has however been temporarily stayed in Orissa Travancore-Cochin and South Kanara (Madras) and in Tanjore (Madras) all enants have been given security of tenure for 5 years

The provisions in West Bengal and Jammu and Kashmir differ from all the other States In Jammu and Kashmir a ceiling has been imposed on landowners holdings at 22¾ acres of land Lands in excess of this limit have been transferred to the actual iller with the rights of an owner without payment of any compensat on In West Bengal legi lation provides for State acquisition of rent receiving interests above the limit of 33 acres in order to bring the sub-tenants and *bargadars* (crop-sharers) into direct relations with the State These provisions have not yet been implemented

14 *Ceiling on Holdings*—The fixation of a ceiling on holdings is an aspect of land reform which has attracted considerable public attention The recommendations made on this subject in the Five Year Plan were as follows —

(1) there should be a limit to future acquisition of land

(2) there should be an absolute limit to the amount of land which any individual may hold This limit should be

(2) that existing tenants should have the right of ‹ subject to the landlord s right to resume a limited area for pe sonal cultivation and that tenancies in future should ordinarily be fo 5 to 10 years resumption being permitted if the ov ner himself wishes to cultivate,

(3) that tenants of areas not resumable by the landlord get the right of purchase—the price being determined in terms multiples of the rental value of the land and payment being made in instalments and

(4) that owners should be required to exercise the right to sume land for personal cultivation within a period of five year failing which the tenants should get the right to buy the land as (3) above

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Madhya Pradesh Orissa Madras Andhra Punjab West Jammu and Kashmir Madhya Bharat (in respect of ordinary and sub tenants in Ryotwari areas) Mysore Pepsu Travar Cochin and Bhopal

13 *Security of Tenure and Right to acquire Ownership*—The present position in the different States may be broadly summarised as follows —

(1) Land reform legislation has been adopted in Uttar Pradesh and Delhi enabling all persons in cultivating possession to retain their lands and to acquire ownership The policy underlying the legislation is that *no person in cultivating possession should be* dispossessed of his land The Rajasthan Government have also accepted this principle and their tenancy Bill is before the State legislature In Madhya Bharat all sub tenants in Jagirdari and Zamindari areas have been given the right to acquire ownership but if they fail to exercise the right within a period generally of two year from the commencement of the Act they become liable to immediate ejectment

(2) With a number of variations in each State the recommendations of the Plan regarding the landlord s right to resume a limited

The Hyderabad Tenancy and Agricultural Lands Act 1950 as amended in 1954 provides for

(a) prescribing standards of efficiency in cultivation and management of land

(b) assumption of management of holdings having an area equal to 3 family holdings or more—the entire holding or the part in excess of 3 family holding —if cultivation is below the prescribed standards

(c) assumption of holdings in excess of 4½ family holdings of efficiently managed farms for public purposes (including resettlement of landless workers) provided that they are not so very efficiently managed that their break up would result in fall in production and

(d) acquisition of land management of which has been so assumed on payment of compensation

In Himachal Pradesh the Land Reforms Bill which has been passed by the State Legislative Assembly contains a provision empowering the State Government to regulate standards of cultivation and management of holdings of 30 acres or more in district Chamba and assessed to Rs 125 land revenue in other districts and on failure to maintain these standards to assume the management of the holding

In Orissa the Agricultural Lands Act of 1951 provides for maintenance of prescribed standards of cultivation The standards are however applicable to all holdings irrespective of their size

In a number of States provisions have been made under legislation relating to land utilisation that land lying uncultivated may be taken over and arrangements made for its cultivation

18 *Census of Land Holdings*—In making its recommendations on Land Policy the Planning Commission drew attention to the inadequate information available regarding the distribution and size of holdings particularly in respect of areas under the personal cultivation of landlords and areas leased by them The Planning Commission recommended that all States should cooperate in conducting a Census of Land Holdings and Cultivation After consultation with the Planning Commission and the Central Statistical Organisation of the Cabinet Secretariat the Ministry of Food and Agriculture addressed the State Governments requesting them to draw up a programme for conducting the Census and suggesting the lines on which it might be conducted It was proposed that the Census should be carried out on the basis of complete

in areas where annual village records are maintained and in areas where such records are not available the State Governments were requested to suggest alternative methods

Almost all the State Governments have agreed to conduct the Census more or less on the lines suggested by the Government of India

The Travancore Cochin Government are however of the opinion that it is not very essential for them to conduct a Census as they have adequate material for their land policy in the data collected by the Land Policy Committee set up in 1949

The West Bengal and Bihar Governments have suggested a sample survey because of the lack of village records and the Rajasthan Government have sugge ted a sample survey in areas where records are not available

The Hyderabad Government have already started the Census of Land Holdings and Cultivation in combination with the preparation of records of rights and by the end of 1954 data will be available for one third of the entire State Preliminary arrangements for conducting the Census have started in Andhra Bombay Madras Madhya Pradesh Mysore Pepsu Bhopal and Kutch Most of the States have intimated that the Census operations will be completed between December 1954 and April 1955

19 *Prevention of Sub division and Fragmentation*—Measures to check sub division and fragmentation of holdings relate to putting restriction on partition and tran fer below specified limits Legis lation disallowing such partitions has either been enacted or is in the proces of being enacted in the following States —

Uttar Pradesh	below 6¼ acres
Hyderabad	below a basic holding ranging from 2 to 24 acres
Rajasthan	below a size to be determined by the State Government
Delhi	below 8 standard acres
Madhya Bharat	below 15 acres
Bhopal	below 15 acres
Vindhya Pradesh	below 5 acres of irrigated land or 10 acres of dry land

Except Uttar Pradesh all these States have also restri ted transfers resulting in sub division of holdings below the specified sizes

The legislation for consolidation of holdings in force in Bombay Punjab Orissa and Pepsu also empowers the State Governments to lay down limits below which the size of a field (or of fields if they are contiguous) may not be reduced as a result of partition or transfer

20 *Consolidation of Holdings*—Legislation for the consolidation of holdings has been passed in the States of Bombay Madhya Pradesh Punjab U.P Jammu and Kashmir Pepsu and Himachal Pradesh The Punjab Act has been extended to Delhi Special provisions for consolidation of holdings have been incorporated in the Tenancy Acts of Orissa Hyderabad and Ajmer

The Acts of Madhya Pradesh and Jammu and Kashmir provide for a partial measure of compulsion against a minority when a certain specified number of persons express themselves in favour of consolidation of holdings In Madhya Pradesh the Consolidation of Holdings Act of 1928 provides for consolidation on the application of not less than one-half of the number of permanent holders in the village holding not less than two-thirds of the occupied area The corresponding proportion laid down in the Jammu and Kashmir Act is two-thirds of the land holders holding not less than three-fourths of the cultivated area in an estate or sub-division of an estate

In the other States mentioned above except Ajmer the Acts provide for total compulsion inasmuch as the Government may undertake schemes for consolidation of holdings on its own initiative These Acts however fall into two categories Whereas in Punjab Pepsu Orissa and Hyderabad Government may start a scheme for consolidation of holdings either on its own initiative or on the application of land holders in Bombay U.P and Himachal Pradesh it is for the Government to select the area in which the work is to be started In Ajmer the legislation is entirely permissive

In Madhya Bharat and Rajasthan Bills on the subject are at different stages of being enacted Proposals for legislation are under consideration in the States of Andhra Bihar and Madras

21 *Progress of Consolidation*—So far consolidation work has been undertaken in the States of Bombay Madhya Pradesh Punjab U P Pepsu and Delhi Other States are still only preparing to start consolidation operations under their respective enactments Consolidation by Co-operative Societies has been carried out in the States of Punjab and U.P and to some extent in Jammu and Kashmir Delhi and Madras In Bombay Punjab Pepsu and Delhi consolidation schemes have been included in the State Five Year Plans State wise details of the progress are indicated below —

Bombay—Since 1948 schemes of consolidation of holdings have been completed in 732 villages covering an area of 10 21 lakh acres

During the year 1953-54 the work of consolidation was carried out in 200 villages covering an area of about 3 7 lakh acres The State Government incurred an expenditure totalling Rs 19 87 lakhs during the 3 years (1951 54) against Rs 64 00 lakhs provided for the entire Plan period

Madhya Pradesh—Under the Madhya Pradesh Consolidation of Holdings Act 1928 an area of 26 95 lakh acres of land (3 033 villages) has been consolidated up till the end of September 1953 The work is still going on but has not been included as a scheme in the Five-Year Plan

Punjab—7 07 lakh acres were consolidated by the Co-operative Department from 1920 to September 1951 2 2 lakh acres (325 villages) were consolidated by the Revenue and Consolidation Department up to April 1951 28 58 lakh acres (3 226 villages) are reported to have been consolidated from 1st April 1951 to 31st March 1954 (i e altogether 37 85 lakh acres have been consolidated so far) At pre ent the work is in progres in 2 361 villages comprising 28 1 lakh acres

The target fixed for the Plan period (1952—56) is 80 00 lakh acres

The State Government made a Plan provision of Rs 286 1 lakhs for consolidation schemes out of which Rs 125 29 lakhs were spent during 1951 54

Uttar Pradesh—Consolidation work was carried out in 4 64 lakh acres (6 464 villages) up to 1947 under the U P Consolidation of Holdings Act 1939 No consolidation work has been carried out sinc then 1 20 lakh acres have also been con olidated by the Co-operative Department

Under the new Act consolidation has been started in one tehsil each of 2 selected districts and it is proposed to extend it during the next financial year to at least half the districts of the State excluding the five hilly districts The work is propo ed to be com pleted in the whole of the State by the end of the second Five-Year Plan period

Pepsu—Consolidation operations were started in Pepsu under the Five Year Plan in 1951 52 8 04 lakh acres (in 615 villages) were consolidated during 1951 52 and 1952 53 The work was in progress in 457 villages comprising 11 3 lakh acre during 1953-54 (up to January 1954)

The State Government has so far incurred an expenditure of Rs 20 37 lakhs on the consolidation operations in the State out of a provision of Rs 30 lakhs in the Plan

Delhi—94 villages comprising an area of 90 924 acres was consoli ated during 1951 52 and 1952 53 Consolidation during 1953-54 was progress in 57 822 acres (66 villages) Rs 5 23 lakhs were spent y the State Government during the 3 years (1951—54) on consolida on schemes The Plan provision was fixed at Rs 10 7 lakhs

22 *Reservation of Land for Common Purposes*—Although the ain purpose of consolidation is the reduction of the number of parate fields the process provides an opportunity for replanning of llage land for common use and public utility Land reserved for mmon purposes can if well managed make available recurring sources for community development and welfare

The Punjab Government have decided that under powers con rred by the Consolidation of Holdings Act 1948 land should be mpulsorily reserved at a graduated scale of 5 to 50 acres in all llages with an area exceeding 150 acres irrespective of whether amlat Deh exists or not The land will be placed under the anagement of village panchayats established under the Gram nchayat Act 1952 The income of the land will be utilized by the nchayats for the common needs and for the benefit of the villagers

The U.P Government also propose to use the opportunity offered their programme of consolidation of holdings to create productive pital assets for the village community The U P Consolidation of ldings (Amendment) Bill 1954 lays down the basis on which ure-holders will contribute towards land required for purposes common utility The usefulness of the measure has been acknow dged by other States also

23 *Co operative Farming*—Realising the potentialities of co erative farming for increasing production and for ameliorating the onomic conditions of the peasantry the Plan recommended that hall and middle class owners in particular should be encouraged d assisted to group themselves voluntarily into co-operative farm g societies which should receive special facilities from State overnments It was further recommended that blocks of newly claimed land as well as culturable waste land should be set apart herever possible for the settlement on co-operative lines of groups landless agricultural workers and of holders of small uneconomic ots Beyond a few isolated experiments the organisation of co- erative farming on a systematic basis has however not been taken p by any State except Bombay and Uttar Pradesh

Bombay—In the year 1949 the Bombay Government drew up a omprehensive scheme for the formation of co operative farming ocieties There were on 1st April 1954 256 co-operative farming

societies covering an area of 76 817 acres of land and having a membership of 8 714 Loans and subsidies to the extent of Rs 8 lakhs and Rs 6 76 lakhs have been given to the societies for various purposes

Uttar Pradesh —Co-operative farming in Uttar Pradesh was introduced as an experimental measure in the year 1950 51 The total number of these societies at the end of 1952 53 was 88 in addition 125 better farming societies organised under the Land Colonization Scheme Statistics collected for 64 of these societies show that the total membership at the end of 1953 had increased to 2 089 as compared to 1 531 during the previous year The total area under co-operative farms increased to 32 406 acres as against 19 285 acres in 1952 The share capital of these societies also increased appreciably rising to Rs 9 81 lakh as against Rs 5 0 lakhs during the previous year

24 Five collective farming societies have been registered in Saurashtra of which 3 have started working and there are five in Bhopal with a total membership of 124 one in Tripura and one in Coorg In Hyderabad the Hyderabad Tenancy and Agricultural Lands Act of 1950 provides for the formation of co-operative societies and for the grant of concessions and facilities to them in the shape of reduction of land revenue reduction or exemption from agricultural income tax free technical advice and subsidies and loans with or without interest Very few co-operative farming societies however have so far been formed

25 So far as the remaining States are concerned very little has in actual practice been done in the field of co-operative farming though provisions have been made in a number of State for giving various facilities to such societies in the form of subsidies for the purchase of seeds manures and implements remission of land revenue during the first two or three years grants of long term loans at concessional rates to enable the societies to purchase costly implements and for the construction of godowns provision of free technical services and concessions with respect to agricultural income tax in State where it is imposed

26 The difficulties of organising co-operative farming are well known The attachment of the peasantry to the land the suspicion of innovations disputes and dissensions and inability to work together constitute obstacles necessitating a cautious approach to the problem Even after making due allowance for these difficulties the fact remains that State Governments have by and large not taken very energetic steps to promote experiments in Co-operative Farming

'he Government of India have recently addre_sed a letter to Sta e overnments on the subject once again pointing out that there is a rovision of Rs 40 lakhs in the Plan for promoting such experiments nd that in suitable cases funds could be made available to State overnments for meeting the expenses of the supervisory and admi istrative staff required and for providing co-operative farming ocieties with technical assistance Very few proposals have been ceived from State Governments in reply to this letter

the existing facilities in the country has been completed It h established the need for improving and strengthening these facili and it has been decided that financial assistance should be given the State Governments out of the provision of Rs 10 lakhs

PANCHAYATS

9 As regards Panchayats the Constitution lays down that t State shall take steps to organise village Panchayats and endow th with such powers and authority as is necessary to enable them function as units of self government Even before this Direc was enjoined State Governments had enacted Panchayat legisla and had established Panchayats The position at present is that t Governments of all the Part A States except West Bengal all Part B States and all the Part C States except Delhi Manipur Tripura have enacted Panchayat legislation The West Be Government has prepared a draft bill and has also set up a f Panchayats under executive orders Delhi State Government engaged in preparing a Panchayat Bill to replace earlier legislatu Ajmer, Himachal Pradesh Rajasthan and Jammu and Kash enacted Panchayat legislation during the period of the Plan Mys Pepsu Punjab and Bhopal enacted fresh Acts to replace ea Panchayat legislation during the period of the Plan

10 *Number of Panchayats*—The Planning Commission rec mended that each State should have a programme for establish over a period of years Panchayats for villages or groups of villa The position up till March 1954 was in all 98 256 Panchayats h been set up in the country as against approximately 83 093 Panchay at the beginning of the Plan period These Panchayats serve 2 94 villages, *i e* about half per cent of the total number of villages the country In Punjab U P Madhya Bharat Mysore Travanco Cochin every village is served by a Panchayat

11 *Functions of Panchayats*—In relation to the concept Panchayats three categories of Panchayat legislation can be disti guished

(a) Panchayat Acts which confer mainly municipal functio on the Panchayat and in some States also limited judic powers

(b) Panchayat Acts which also include economic and develo ment functions in the discretionary list and

(c) Panchayat Acts (as for instance in Assam and Saurashtra which give equal priority to economic and developme functions

In the First Five Year Plan the Planning Commission had recommended Panchayats as the agency for village planning land reforms and for land management at the village level The recent Local Self Government Ministers Conference held at Simla accepted Panchayats as basic units of self government both judicial and executive as well as the basic agency for planning from below and for the development of the community and also as the basic unit for building up a new social structure The concept of Panchayats as an agency for development and planning has been thus broadly accepted by all the State Governments This is a major development in the role assigned to the Panchayats the implications of which have yet to be worked out

12 *Working of Panchayats*—The limited data available regarding the working of the Panchayats indicate both their inherent vitality as well as their limitations arising out of inadequate resources lack of training guidance and supervision and the existence of factions In one State with an estimated assistance of approximately Re 0/3/9 per head of the population of the Panchayats the Panchayats constructed 578 new pynes 523 Ahars 478 tanks 2 938 wells and 72 canals and repaired 1 008 old pynes 869 Ahars 1 314 tanks 3 528 wells 151 canals built 310 miles of new road and repaired 590 miles of road constructed 8 187 bore hole latrines 16 813 trench latrines 20 244 soakage pits disinfected 91 462 tanks and wells vaccinated 4 83 066 persons opened 2 244 adult education centres which benefit 68 374 persons opened 165 basic schools and 890 other schools and planted 1.6 lakh trees In another State as a result of the shramdan campaign the Panchayats in about four years besides building Panchayat ghars Gandhi chabutras libraries and akharas had constructed 1 049 miles of pacca and 13 975 miles of kutcha roads repaired another 2 639 and 19 861 miles respectively and built 249 miles of pucca drains 1 141 miles of kutcha drains 9 558 pucca wells and 13 569 kutcha wells for irrigation 19 408 pucca wells and 13 904 kutcha wells for drinking etc at an estimated cost of Rs 9 58 crores out of which 3 70 crores were contributed in cash and Rs 5 87 crores in terms of Shramdan

13 On the other hand as has been noticed by the Programme Evaluation Organisation in many cases it has been found advantageous to organise *ad hoc* bodies to initiate the Community Development Programme Even then as the initial organisation is one there is movement for the establishment of regular Panchayats

14 A major cause of the ineffective working of Panchayats is lack of resources In many cases the income of the Panchayats is as low as /2/ or /3/ per head per annum Lack of resources and consequent lack of activity i e the existence of authority without scope for work became a major cause of factions and the demoralisation of

many Panchayats The Simla conference of Local Self Governme Ministers concluded that there was not much scope for increas- the resources of the Panchayats from tax revenue items and recc mended increasingly larger grants from the States The Confere- recommended that a suitable portion of land revenue be assigned the Panchayats The Planning Commission had recommended pr sion of a nucleus fund for Panchayats by levying a suitable r charge on the land revenue The position at present is that Bom State has made provision in its current budget for allocating 15 p cent of land revenue or 25 per cent of the local rate (whicheve higher) to Panchayats In Madras 3-1/8 per cent of the l revenue in Punjab 10 per cent in Hyderabad 15 per cent in Mad Bharat 3-1/8 per cent in Mysore 12½ per cent in Pepsu 10 per ce in Saurashtra from 20 to 33 per cent in Kutch 15 per cent is or v be allotted to Panchayats

15 Two developments in the period of the Plan which v increase the re ources of the Panchayats are the Shramdan Camp in the U P and the allocation of land to the Panchayats in Pu for setting up model farms and earning income therefrom so a augment their resources The new role of Panchayats as a b agency for village planning and development will call for fur measures along these lines

Chapter VIII

IRRIGATION AND POWER

General

The programme of irrigation and power in the First Five Year Plan forms part of a long term objective namely the doubling in a period of 15 to 20 years of the area under irrigation and the production of power amounting to about 7 million kW The immediate programme is expected to add 8 5 million acres of new irrigation and 1 1 million kW of additional generating capacity The cost of this programme during the period of the Plan is Rs 558 crores comprising Rs 430 crores on major irrigation schemes and multi purpose projects and Rs 128 crores on power schemes To the above programme a further programme of irrigation and power schemes amounting to about Rs 65 crores in the period of the Plan was included about the end of 1953 as an Adjustment to the Plan Of this about Rs 40 crores are for irrigation works which will effect permanent improvement in scarcity areas The achievement upto March 1954 has been that as a result of the completion of the larger irrigation schemes in the Plan more than 2 8 million acres have been brought or are being under irrigation and additional power capacity to the extent of about 450 000 kW has been added

2 The total expenditure on irrigation and power projects (including the multipurpose projects) is as follows —

(Rs lakhs)

	Expenditure	Original Plan provision (1952)
1951 52 (Actual)	8171	8500
1952 53 (Actual)	9 79	12100
1953 54 (Revised)	120 9	12,00
1954 55 (Budget)	16751	10700

The actual achievement against the Plan in terms of expenditure and benefits is given state wise in the Statements I to III

3 *Bhakra Nangal Project (Punjab PEPSU and Rajasthan)*—This project consists of (i) the Bhakra Dam across the Sutlej (ii) the Nangal Dam (iii) the Nangal canal (iv) two Nangal Power Houses and (v) the Bhakra Canal System Construction of the project started in 1946 The Nangal Dam the Canal regulator the Nangal hydel channel and the excavation of the Bhakra canals in Punjab have been completed The canal system was opened by the Prime Minister on July 8 1954 Excavation of canals in Rajasthan and PEPSU is in progress Work on both the right and left diversion tunnels at the Bhakra Dam site has been executed About one third of the excavation for the foundation of the Bhakra Dam has been completed Erection of machines is in progress on the two power houses on the Nangal canal at Ganguwal and Kotla and the Ganguwal power station is expected to go into operation in the course of a few weeks An extensive transmission and distribution system associated with this project has been nearly completed The total expenditure on this project in the first three years of the Plan is estimated at Rs 5 558 lakhs

4 *Harike Barrage (Punjab)*—Work on the Harike Barrage has been completed About 25 per cent of the work on the Ferozepur Feeder has been completed Work on the Bakhu canal is proceeding satisfactorily The expenditure in the first three years of the Plan is estimated to be Rs 433 lakhs

5 *Damodar Valley Project (West Bengal and Bihar)*—The Bokaro Thermal Power Station was commissioned in 1953 with an installed capacity of 50 000 kW and will ultimately have a capacity of 2 00 000 kW The Tilaiya Hydro Station was put into commercial operation in February 1953 with 2×2 000 kW sets Work on the transmission system is actively in progress and 244 miles of 132 kV 32 miles of 66 kV and 60 miles of 33 kV lines with most of their associated sub stations have been completed The Konar Dam was completed in May 1954 The Maithon Dam on the Barakar River is one of the two key dams on which flood control and irrigation in the lower Damodar Valley will largely depend About two thirds of the work on the earthen dam on this project has been done so far Work on the Panchet Hill Dam Durgapur Barrage and canals is in progress The expenditure on the various projects under the D V C during 1951—54 is Rs 4 414 lakhs

6 *Hirakud Dam Project (Orissa)*—11 5 million cubic feet of concreting and masonry for the Left Concrete Dam and nearly 7 2 million cubic feet for the Right Concrete Dam have so far been laid,

bringing these works to about 65 per cent and 35 per cent respectively of physical completion Nearly 220 million cu ft of earth filling out of a total of 432 4 million cubic feet has already been placed on the earthen dam The Left Dyke has been completed to the extent of 15 per cent and the Right Dyke of about 54 per cen 84 per cent of excavation of main canals and branches and about 20 per cent of excavation of di tributaries and minors has been completed Construction of cross masonry structures is in progress Most of the parts for 2×24 000 kW sets have been received at site It is hoped that the entire power station with 2×24 000 kW sets and 2×37 500 kW sets will be completed by 1957 58 The transmission lines and sub stations are under construction Expenditure in the first three years of the Plan is estimated to be Rs 2 588 lakhs

IRRIGATION PROJECTS

Part A States

7 *Andhra*—Out of a total Plan provision of Rs 996 lakhs expenditure of Rs 592 lakhs has been incurred which works out to about 60 per cent

The cost of the Romperu Drainage Scheme has been revised upwards from Rs 96 lakhs to Rs 154 lakhs The Krishna Barrage Project estimated to cost Rs 284 lakhs was started in 1954 and is scheduled to be completed in 1957 and work on remodelling the Kurnool Cudappah canal estimated to cost Rs 390 lakh is expected to commence shortly

The actual additional irrigation during 1953 54 is reported to be 2 000 acres as against the anticipated figure of 12 600 acres

8 *Assam*—The original Plan provision of Rs 200 lakhs has been reduced to Rs 158 lakhs An expenditure of only Rs 32 lakhs has been incurred upto the end of March 1954 which is only 20 per cent of the Plan provision In the implementation of the Dibrugarh Protection Scheme the progres has been slow due to the time involved in the finalisation of the design Out of a total length of 4 miles of revetment only 1 500 feet have been completed

9 *Bihar*—The expenditure during the period 1951—54 is Rs 401 lakhs out of a total of Rs 973 lakhs for the Plan period The Lower Sakri Scheme and Tribeni Canal Scheme have been completed In North Bihar 289 tubewells have been drilled 80 wells energised and 40 are in operation The cheme for 263 tubewells in South Bihar has been almost completed and 13 600 acres brought under irrigation The Emergency Pumping Scheme has not yielded satisfactory results and all pumps have not been commis ioned

Progress on drainage of chaurs is slow only two schemes have been completed and seven are in progress

10 *Bombay*—Against a Plan provision of Rs 2 269 lakhs an expenditure of Rs 1 115 lakhs has been incurred during the period 1951—54 which works out to nearly 44 per cent The Gangapur Project is progressing according to schedule 95 per cent of the earth work has been completed and work on both the outlets is nearly complete The construction of Ranand Tank is also nearly complete The work on the Ghataprabha Left Bank Canal Schem is satisfactory 40 000 acres having been brought under irrigation as against the target of 30 000 by the end of 1953 54 The Mahi Right Bank Canal Project is behind schedule due to financial and other reasons and completion of the project is likely to be delayed by a year The Tapti Valley Project is making good progress The Headworks have been completed with the exception of the installation of gates which is also nearing completion The canal system has been opened for irrigation

80 000 acres have been brought under irrigation against a target of 140 000 acres for 1953 54

11 *Madhya Pradesh*—The expenditure during the first three years of the Plan is Rs 96 9 lakhs or 32 per cent of a total provision of Rs 308 lakhs The Aree Tank Project has been completed The Saroda Project has been substituted for the Bargoor Project On the whole progress has been slow and works are behind schedule

10 000 acres have been brought under irrigation as against a target of 21 000 acres for the year 1953 54

12 *Madras*—An expenditure of Rs 1 149 lakhs has been incurred during the first three years of the Plan out of a total provision of Rs 2 019 lakhs The expenditure is thus about 57 per cent of the Plan provision The Lower Bhavani Project is almost complete Of the 12 schemes for drainage improvement in the Cauvery delta 11 have been completed Satisfactory progress has been maintained on the Manimuthar Project Mettur Canals Scheme and Malampuzha Project The progress on the Aramar and Walayar projects has however not been in keeping with the schedule

Against the target of 80 000 acres to be irrigated by March 1954 45 500 acres have been actually brought under irrigation

13 *Orissa*—Out of a total provision of Rs 300 lakhs in the Plan a sum of Rs 171 lakhs has been expended upto the end of March 1954 which works out to 57 per cent The total area irrigated is 62 000 acres as against a planned figure of 372 000 acres for the period 1951 54 The actual achievement of irrigation is far behind the target

14 *Punjab*—A sum of Rs 232 lakhs has been spent during the ars 1951—54 out of a total of Rs 326 lakhs provided in the Plan is works out to about 75 per cent of the programme

Generally speaking progress has been satisfactory on all the hemes

15 *Uttar Pradesh*—An expenditure of Rs 1 488 lakhs has been urred during the first three years of the Plan out of a provision Rs 1 911 lakhs which works out to 78 per cent

Satisfactory progress has been maintained on all the schemes chemes have been completed

An additional area of 7 47 500 acres has been brought under irri-tion during 1953 54 against the target of 12 33 000 acres

16 *West Bengal*—Out of a total Plan provision of Rs 1 537 lakhs expenditure during the first three years is Rs 868 lakhs which orks out to about 57 per cent Progress has so far been satisfactory le first phase of the Sonarpur Arapanch Malta Scheme has been empleted Work on the Mayurakshi Project is proceeding accord- to programme

Prt B States

17 *Hyderabad*—Out of the total Plan provision of Rs 2 479 lakhs t 1 399 lakhs have been expended amounting to 56 4 per cent

The construction work on the Tungabhadra Dam Project has en keeping to schedule The dam has almost been completed The rk on the canal system is in progress The work on the Rajol ndha Diversion Scheme and Godavari first phase is much behind hedule and is likely to take 2 years more than was originally pro ammed As regards the Koilsagar Project the dam has been nearly mpleted and 50 per cent of the work on the canal system is com ete The medium size projects *viz* Bendsura and Bhimanapally e almost complete

33 000 acres have been brought under irrigation as against a anned figure of 102 000 acres for 1953 54

18 *Jammu and Kashmir*—Out of a Plan provision of Rs 340 ikhs only Rs 162 lakhs have been spent (*i e* 47 6 per cent) Most f the schemes are in preliminary stages of investigation and sur ey and the progress so far has been rather slow

19 *Madhya Bharat*—Out of a Plan provision of Rs 328 lakhs n expenditure of Rs 104 lakhs has been incurred which amount o 31 7 per cent

None of the three major irrigation schemes has actually started. The estimate for Mola Dam has been sanctioned and remaining two viz Jassaiya Banskhadi and Bora projects are i investigation.

20 *Mysore*—During the first three years of the Plan an ture of Rs 714 lakhs has been incurred against a total of Rs 1436 lakhs This means 49 per cent achievement

The revised cost of the Ambligola Reservoir Project is repor to be thrice the original estimate The progress on this schem very poor and the date of completion has been put off to the 1961 Work on the Bhadra Reservoir Project has now been ed and the construction of both the dam and channel are in p gress The Nugu Reservoir Project is expected to be comple during the Plan period The headworks for the Tunga Anicut h been completed and work on the canal system is in progress

6500 acres have been brought under irrigation as against a of 12000 acres for 1953 54

21 *PEPSU*—The expenditure up to the end of March 54 is Rs l lakhs out of a total provision of Rs 34 lakhs The achievement is little over 50 per cent

22 *Rajasthan*—Out of a provision of Rs 504 lakhs in the an expenditure of Rs 204 lakhs has been incurred which amo to 41 per cent The cost of the Parvati and Gudha projects has revised upwards The progress has not been satisfactory on of the schemes The slow progress is reported to be due to of staff and funds Work on the Jawai Project is being speeded An area of 72500 acres has been brought under irrigation a planned target of 129000 acres for 1953 54

23 *Saurashtra*.—Out of a Plan provision of Rs 475 lakhs an penditure of Rs 340 lakhs has been incurred The overall has been very good Out of 15 schemes four have been comple three are nearing completion and the rest are in progress 40 acres have been irrigated in 1953 54 as against 26000 acres envisa in the Plan

24 *Travancore Cochin*—The Plan provides for an expenditure Rs 478 lakhs Of this Rs 267 lakhs or 55 per cent have been spe The Perunchani Scheme is almost complete The Peechi Chalaku and Wedakkancheri schemes are behind schedule but are expecte to be completed by March 1956

Additional 12000 acres have been actually brought under irriga tion

rt C States

25 *Ajmer*—Against a total provision of Rs 11 lakhs in the Plan expenditure of Rs 1 6 lakhs only has been incurred

26 *Himachal Pradesh*—There is a provision of Rs 80 lakhs in Plan Of this only Rs 16 lakhs have been spent during the first ee years

27 *Kutch*—Out of a provision of Rs 91 lakhs in the Plan 52 17 lakhs or 57 5 per cent have been spent The progress has en satisfactory

Power Projects

28 *Up to-date Statistics of Power Development*—The up to date itistics of power development are given in Statement IV hich shows the progress of installed capacities year wise both the public and private sectors of the electricity supply industry the private sector the major undertakings will add about 70 000 kW of generating capacity in the Plan period and 70 000 kW on completion The Ahmedabad Electricity Co will be lding 60 000 kW and the Tata Power Co 22 000 kW excluding 000 kW at Trombay The Calcutta Electricity Supply Corporation mmissioned 30 000 kW of plant capacity in 1951 52 Up to-date e private sector has commissioned about 86 000 kW of generating ant in addition to the 20 000 kW at Delhi by the Delhi State ectricity Board

In addition to the private sector the Central Railways have added 000 kW of thermal power at the Kalyan Steam Power Station and pect to add a further 18 000 kW by 1955 56

29 *Progress of Expenditure Construction and Results*—The ogress of expenditure has been generally well maintained and is own in Statement III A brief review of the progress in respect the power programmes of the various States is given below

art A States

30 *Andhra*—The Power Plan of this State was separated from the lan of the composite Madras State in 1953 54 This State now has vo major projects in its Plan *viz* the Machkund Hydro Electric roject which is purely a power project and the Tungabhadra roject which is an irrigation *cum* power project The Machkund ower House is expected to be commissioned in June 1955 while the ungabhadra generating units are expected to be in service in early 957 A sum of Rs 1 096 lakhs has been spent during 1951 54 out of a total provision of Rs 2 041 lakhs

31 *Assam*—Assam is somewhat backward in power deve but is fortunately placed as regards water power resources

In the First Five Year Plan a hydro scheme on the Umtr about 20 miles from Gauhati is being developed The pr report has been finalised and it is expected that the schem be completed by about 1956 57 This scheme is being a the Canadian Government under the Colombo Plan the contribution being 1 2 million dollars The internal expen will be met from the sale proceeds of industrial raw materials ob ed under this Plan

32 *Bihar*—There are a number of small electrification for local power supply in the Five Year Plan of this State P is being purchased in bulk in many of these schemes from ou services like the DVC and the Patna Electricity Supply Co quently the additions to the installed capacity in the Sta power stations do not give a measure of the extent of electri being carried out in this State They will be adding only 11 00 of generating plant in the period of the Plan The expenditure has been Rs 382 lakhs out of a total proviso Rs 709 lakhs in the Plan

The most important development in this area is the ele side of the Damodar Valley Project (see under Multi Purpos jects) Most of the generating capacity in this valley bel industrial undertakings and adds up to over 2 00 000 kW W commissioning of the Bokaro Steam Power Station of 1 50 public utilities have now about an equal amount of generatin city in the valley

33 *Bombay*—A sum of Rs 755 lakhs has been spent in the p 1951 54 out of a total provision in the Plan of Rs 1 043 lakhs capacity addition of 15 000 kW has been made in the South Guj Grid Scheme and the Bombay Government s steam power stati Chola is expected to be commissioned in 1954 The North G Electric Grid Scheme and Electrification of Villages and T under nursery schemes have made good progress

34 *Madhya Pradesh*—A sum of Rs 361 lakhs has been spent a total provision of Rs 600 lakhs in the Plan 51 000 kW of has been installed against a target of 73 000 kW The only s to be completed is the Ballarashah Steam Power Station whic expected to be commissioned in 1954 55 The State has made progress in the Power Plan

35 *Madras*—The Moyar Hydro Electric Scheme and the Pa sam Second Stage Extension along with the first stage of Madras Plant Extension have been completed giving 68 000 kW

additional power The commissioning of the Pykara Third Stage Extension and the Madras Plant Extension Second Stage have been somewhat delayed and are now expected to be commissioned during 1954-55 Orders for the plant for the Madras Third Stage Extension are being placed under the Indo-U S Technical Co-operation Programme for which an amount of 2 9m dollars has been obligated The Periyar Hydro Electric Scheme has been included under Adjustments to the Plan The expenditure up-to-date has been Rs 1 446 lakhs out of a total provision of Rs 2 667 lakhs

36 *Orissa*—The Cuttack Thermal Scheme which is a load development scheme for Hirakud power has been completed The Hirakud power utilisation scheme for utilising Hirakud power and the Duduma Transmission Scheme for distributing Machkund power are under way The Hirakud Project is expected to generate power in 1956-57 The completion of the transmission schemes is being synchronised with the main projects 1 23 000 kW of installed capacity in the first stage of the Hirakud Projec will all be utilised in the Orissa State

The progress of expenditure has been Rs 190 lakhs out of a total provision in the Plan of Rs 391 lakhs excluding the Hirakud Project

37 *Punjab*—The Punjab Power Plan is mostly for distributing the Bhakra Nangal power a major portion of wh ch will be utilised in Punjab The progress of expenditure excluding the Bhakra Nangal Project is Rs 72 lakhs out of a total provi ion of Rs 390 2 lakhs

38 *Uttar Pradesh*—A number of medium size hydro schemes are under way in this State The Mohammadpur Hydro-Power Station has already been commissioned The Pathri Hydro-Power Station and the Sarda Hydel Scheme are expected to be commissioned at the beginning of 1955 The Sarda Grid is making good progress and is expected to synchronise with the commissioning of the generating plant A number of thermal stations are being set up in the eastern districts of U P and also at Nainpuri near Agra for supplying power to the State tube well programme Generating plants for these stations have already been ordered The Kanpur Electr c Supply Administration have now dropped their scheme under the Plan of adding a second 15 000 kW set to their power station A sum of Rs 1 015 lakhs has been spent during the years 1951—54 out of a total provision of Rs 1 411 lakhs in the Plan

39 *West Bengal*—A considerable area of West Bengal is included in the operation of the Damodar Valley Corporation This project (*see* under Multi Purpose Projects) has a large programme of additions to the generating capacity the power from which will be distributed in the valley Recently approval has been given for

the expansion of their transmission lines to Calcutta city The other large power source is the Calcutta Electric Supply Corporat which is in the pr vate sector The West Bengal Government had a few schemes for rural electrification under the North Calcu Electrification Scheme which has been completed now Their otl project is mainly an irrigation project *viz* the Mayurakshi Proj but about 4 000 kW of power will also be generated This project is being assisted by the Canadian Government under the Colombo Plan to the extent of 3 million dollars for the electrical equipm the internal expenditure on the project being met by the counterpart funds from the sale of wheat The expenditure is Rs 71 lakhs out of a total provision in the Plan ot Rs 76 lakhs

Part B States

40 *Hyderabad*—There has been delay in the commissioning the generating plant of the two power schemes in the Plan *vi* Ramagundam Thermal Scheme and the Nizamsagar Hydro Elec Scheme They are now expected to be commissioned only 1955 56 Both schemes will be inter connected with the H Thermal Station

The Tungabhadra Hydro Electric Scheme on the Hyderabad sid has also been accepted for inclusion in the Plan The estima are awaited and work should soon commence

An expenditure of Rs 205 lakhs has been incurred during years 1951—54 out of a total provision in the Plan of Rs 321 lakh

41 *Jammu & Kashmir*—The cost of civil works connected the Sindh Hydro Electric Scheme is provided under irrigation wor The expenditure on the power scheme for the years 1951—54 reported to be only Rs 29 lakhs The first stage of the scheme expected to be completed in 1954 55 with the installation of 6 kW of generating plant The erection of transmission lines deliver power from the Jogendranagar Power Station in the Punj near Jammu is nearing completion and is expected to be completed in 1954 55

42 *Madhya Bharat*—A sum of Rs 179 lakhs has been spent in the period 1951—54 out of a total provision of Rs 228 lakhs in the Plan 4 000 kW of additional power has been commissioned against a target of 14 000 kW and the balance 10 000 kW is expected to be in ervice in 1954 55

43 *My ore*—An expenditure of Rs 744 lakhs has been incurred in the three years 1951—54 out of a total provision o Rs 1 268 lakhs in the Plan 72 000 kW of additional power plant has been installed at the Jog Power House thereby completing the entire scheme of 1 20 000 kW The Shimsha Extension Scheme has not yet been begun

44 *PEPSU*—A sum of Rs 5 lakhs has been spent during 1951—54 out of a total provision of Rs 31 lakhs in the Plan Power from the Bhakra Nangal Project will be distributed in this State

45 *Rajasthan*—An expenditure of Rs 90 lakhs has been incurred during 1951—54 against Rs 463 lakhs provided in the Plan including the Rs 2½ crore adjustment recently approved for this State in 1953 The extensions of the existing power stations at Jaipur Bikaner and Jodhpur have been completed Under adjustments about 24 000 kW of plant will be added in the various thermal power stations by 1955 56 under a programme for rehabilitating and extending the power supply in these stations The plant and equipment for his programme is being obtained under the Indo U S Aid Programme for which $3 6 million have been provided

46 *Saurashtra*—A sum of Rs 27 lakhs has been spent during the period 1951—54 against a provision in the Plan of Rs 213 lakhs

47 *Travancore Cochin*—An expenditure of Rs 640 lakhs has been incurred in the period 1951—54 out of a total provision of Rs 1 035 lakhs in the Plan

The extension of the Pallivasal Hydro Station of about 9 000 kW capacity has been completed The Sengulam Hydro Electric Project is almost ready for commissioning In the Poringalkuthu Hydro Electric Project the construction of the dam and a power house is almost complete and one unit of 8 000 kW is expected to be commissioned during 1954 In this State nearly 270 villages have been electrified and works in more than 200 centres are now in progress

Part C States

48 An expenditure of Rs 35 lakhs has been incurred in the period 1951—54 out of a total provision of Rs 169 lakhs The existing steam power station at Bhopal is expected to be further extended by a second 2 500 kW set by 1955 56

49 *Adjustments in the Plan*—In all about Rs 11 crores have been added to the Power Plan of the various States in 1953 54 when certain adjustments were made in the Plan An increase in the cost estimates of the Umtru Hydro Electric Scheme to the extent of Rs 73 lakhs has been accepted Bihar has been provided with an amount of Rs 2 65 crores for extending electricity to a number of areas and for various small local distribution schemes A provision of Rs one crore has been given to Madhya Pradesh for additional schemes for the remaining period of the Plan Rs 114 lakhs have been provided for the Periyar Hydro-Electric Scheme The provision for the Duduma Transmission Scheme in Orissa has been

increased by Rs 53 lakhs The Tungabhadra Scheme on the Hyderabad side has been included in the Plan Rs 60 lakhs have been provided for additional power schemes in Madhya Bharat An amount of Rs 2½ crores is being given for rehabilitation of the thermal power stations in Rajasthan An additional provision of Rs 150 lakhs has been made for power schemes in Travancore Cochin

50 *Utilisation of New Power*—About 4 50 000 kW of new power have been added up to the end of 1953 54 Out of this about 1 50 000 kW is by the D V C Although there may be some time lag this power is expected to be absorbed in the valley which covers a rich industrial region In U P the bulk of the capacity addition will only be available by 1955 In Madhya Pradesh about 51 000 kW have been added most of which has been sold except the capacity that has been reserved for the newsprint factory at NFPA The Andhra Mysore Madras Travancore Cochin and the Bombay areas account for about 2 00 000 kW of the remaining 2 50 000 kW These are power hungry areas where power will be absorbed by normal growth in existing demands or has been booked against firm load commitments as in the case of Mysore for industries like the Machine Tools Factory and Bharat Electronics Hindustan Aircraft Textile Mills and Paper Mills and pig iron furnace at Bhadravati

51 *Cost of Additional Power*—In most of the major power systems the additional power is being fed into the existing grid and there is a set of tariffs governing the electricity rates in such power systems New power is therefore sold at the same rates as the old power from such systems On the D V C which is a new power system a set of tariffs has been drawn up which is quite favourable as compared with the existing tariffs of the small licensees in the valley An Electricity Tariff Advisory Committee was set up by the Punjab Government for fixing tariffs for the supply of power from the Bhakra Nangal and Uhl River Projects The Hirakud Project is drawing up its tariffs A statement of the tariffs for large industrial power on the various power systems is attached (Statement V)

52 *Power Expansion Facilities for increasing Employment Opportunities*—With a view to increasing employment opportunities the State Governments were asked in March 1954 to suggest schemes for meeting power shortages in small towns and the suburbs of large towns and also in certain rural areas covered by Community Projects In response to this letter several States have suggested schemes which are mainly for extensions from existing grids or for small diesel plants in remote areas The proposals are under consideration

53 *Rural Electrification*—There is an increasing consciousness of the benefits of electricity among the rural population and many State Governments have already been extending electricity to the rural areas within the limits of their financial resources In the areas of Madras Mysore and Travancore Cochin rural electrification has comparatively made appreciable progress Rural electrification is however confined mainly to lift irrigation from wells and canals and small cottage industries such as local processing of village produce In Madras over 2 500 villages had been electrified by 1953 in Mysore nearly 700 villages had been electrified by the middle of 1954 and in Travancore Cochin the target is to electrify 800 villages by the end of the Plan

NEW SCHEMES

54 *Chambal Project*—The Joint Chambal Project Report 1954 has been completed by the Chief Engineers of Madhya Bharat and Rajasthan The Central Water and Power Commission have examined this report and have furnished their technical comments The comments of the two State Governments are awaited A decision on the following issues has yet to be taken

(i) Allocation of costs of common works

(ii) Betterment levy and water rates proposed

Work on the Gandhi Sagar Dam in Madhya Bharat and Kotah Barrage in Rajasthan has begun There is a proposal to constitute a Control Board for the management and execution of the Chambal Project

55 *Kosi Project*—Investigations for the first stage of the Kosi Project have been completed A technical advisory committee scrutinised the proposals for the project and recommended the implementation of the first stage of the project which consists of —

(i) A Barrage at Hanuman Nagar costing Rs 13 27 crores

(ii) Flood Banks from Hanuman Nagar extending nearly 70 miles on either side at an estimated cost of Rs 10 67 crores

(iii) A Canal system to irrigate 1 4 million acres in Bihar and 1 80 000 acres in Nepal at an estimated cost of Rs 16 32 crores

The total cost of the first stage of the Project is estimated at Rs 40 26 crores Besides affording irrigation facilities to about 1 6 million acres in Bihar and Nepal the Project will provide flood protection to a large area lying between Hanuman Nagar Jhamta on the right bank and Bangaon on the left bank

The estimates are under examination by the Government of Bihar

56 *Krishna Project*—The results of the investigation recommended by the Krishna Technical Committee have been submitted by the Governments of Andhra and Hyderabad The projects and estimates are under examination by the Technical Committee who are expected to submit their report and recommendations shortly

57 *Rihand Project*—This project is expected to generate 2 40 000 kW of power for agricultural and industrial advancement in the Eastern Parts of Uttar Pradesh the Western Part of Bihar the neighbouring areas in Vindhya Pradesh and Madhya An agreement for 11 million dollars for this project has been concluded under the Indo U S Technical Co-operation Programme 1953 54 A Control Board has been constituted and has co calling for tenders for the construction of this project

58 *Koyna Project*—Administrative approval to the first of this project which is estimated to cost about Rs 33 crores accorded by the Government of Bombay in February 1953 The scheme was recommended to the World Bank for a loan The World Bank have now completed their examination and agree the planned output of the project is urgently needed and that time should be lost in executing it They are however prepar to consider the loan application when the engineering and studies are advanced further

The Bombay Government has already set up a Board for construction of the Koyna Project

SCARCITY AREA PROGRAMME

59 The First Five Year Plan included three groups of programme namely multi purpose projects major (incl medium) irrigation schemes and minor irrigation schemes When the Plan was formulated in 1951 specific attention was not bestowed on the needs of the chronic scarcity areas where because of low purchasing power and repeated interruption of economic activity relief works and other measures are needed from time to time A programme of permanent improvement for these areas was therefore sanctioned in 1953 54 thus making an addition to the Plan of about Rs 40 crores These schemes were designed to add to the purchasing power of the people and their capacity to support future improvement programmes Most of the schemes included under this programme are such as will be executed within the Plan period and yield quick results The additional area proposed to be irrigated in this programme will be 1 5 million acres out of which a million acres are expected to be irrigated within the Plan period

The distribution of Central assistance for this programme of permanent improvement for scarcity areas is as under —

State	(Rs lakhs)
Andhra	500
Assam	100
Bihar	350
Bombay	487
Madras	6 0
Uttar Pradesh	673
West Bengal	100
Hyderabad	300
Mysore	350
Rajasthan	50
Saurashtra	250
Ajmer	25
TOTAL	4005

These schemes will be assisted through Central loans which will e repayable in a period of 30 years and be free of interest for the rst five years

60 The larger schemes included under this programme are given elow —

Name of Scheme	Total cost (Rs lakhs)
Andhra	
(i) Lower Sageleru	44 70
(i) Remodelling of Kurnool Cuddapah Canal	390 00
Ass m	
Flood prevention and Drainage Schemes	93 0
Bihar	
( ) Extension of Tribeni canal	36 00
(ii) Drainag Schemes	47 20
(iii) Flood Control Schemes	93 40
Bombay	
(i) Ghod River Weir Scheme	300 00
( ) Patadungri Tank schemes in Dohad Taluka	41 68
Mad as	
( ) Vagai I igation Schemes	250 00
( ) Amaravath Irr gation Scheme	270 00
U P	
(i) Matatila Dam	400 00
(ii) Surais gar Reservoir Project (stage I)	373 40
West Bengal	
Sinking of 750 additional tube wsll	31 00
Hyd r bad	
Musi Proj ct	98 00
Mysore	
Assistance to Bha dra Reservo r Project	20 00
Saurashtra	
Machhu	89 03

Construction has been commenced on a number of new chemes included under this programme

Review of Progress on the Principal Recommendations on P AND ORGANISATION MADE IN THE PLAN

61 *Implementation of Policy Recommendations*—The emphasis in the Irrigation and Power Plan was mainly on extending irrigation to new areas as large tracts of the country are exposed to vagaries of rainfall and the country had to achieve self sufficiency in food. This policy of self sufficiency has been achieved even in the third year of the Plan The Ministry of Irrigation and Power has been reviewing the progress on the principal recommendations on policy and organization made in the Plan with the various States who have reported the action taken by them on such policy recommendation. The recommendation regarding the fixation of water rates levy o betterment fees and agricultural income tax are constantly ~ the State Governments In Andhra Bihar Uttar Pradesh Ma Bharat and Rajasthan the water rates have been recently ~ Bihar Madras Punjab U P Madhya Pradesh and Travancore-Cochin States have accepted the recommmendation for the creation of a non lapsable Irrigation Development (Ways and Means) Fund For the present however the States report that they are not bl to build up the fund owing to non availability of resources The Government of Pepsu has created the Fund for financing the Bhakra-Nangal Project and their tubewell schemes It is proposed t deposit Rs 40 lakhs every year in this Fund The suggestions to better use of existing supplies of water by lining irrigation channel and introducing a system of warabandi have been accepted generall but it does not appear that action has been taken to any appreciabl extent The recommendation that State Governments should steps to prevent deterioration of large numbers of existing private irrigation works is being examined in a number of States Where legislation for this does not exist it is proposed to enact it

62 *Betterment Levy*—The Governments of Assam Bombay Punjab Hyderabad Mysore Pepsu and Rajasthan have passed Acts for betterment levy Andhra and Madras have introduced Bills in their Legislatures West Bengal and Saurashtra have prepared Bills which are under consideration by the Governments The Government of U P had prepared a Bill Bills are also under preparation by Bihar Madhya Pradesh Orissa and Madhya Bharat The Government of Travancore Cochin is considering the questior

Public Co operation

63 The necessity for public co-operation and participation in the execution of large irrigation and power projects has been empha iz ed in paragraphs 90—94 of Chapter XXVI—Irrigation and Power— of the Plan The progress made in the implementation of the

mmendations of the Planning Commission in his respect is not ouraging Only a few States have reported a certain measures uccess in executing works through labour available locally in the ect areas

' Satisfactory results have been reported by the Governments JP Bombay and Rajasthan who have initiated the formation of our Co-operatives In Bombay a number of Labour Co operative eties performed contracts to the satisfaction of the Public ks Department and justified the concessions extended by the e Government The Travancore Cochin Governmen have re- ly revised their P W D Codes for executing works through such peratives *In Madras the co-operation of the public has been* uned in the shape of loans towards the capital cost of the ject for instance the Manimuthar project is financed in this way the people benefiting by it The Government of Andhra have n concessions in the award of contracts to such societies In attempts are being made to get work done through Shramdan Governments of Madras Mysore and Hyderabad have reported the system of executing works through Co-operatives ha rot n encouraging results

EMPLOYMENT

4 Data has been collected on the actual personnel employed on irrigation and power schemes and this totaled 1 15 000* persons he end of March 1954 under the three categories technical inistrative and clerical personnel skilled workers and unskilled kers

n the case of irrigation and power projects employment has erent phases During the constructional phase considerable our is temporarily employed The Ministry of Irrigation and ver has appointed a Technical Manpower Committee to assess the power resources for executing the Irrigation and Power Plan on ng term basis It is intended that this Committee will study this *stion from the aspect of utilising manpower resources continuous* *n large projects*

35 *Advisory Committee on Irrigation and Power Projects*—The nning Commission *emphasized the need for following a national* cy for the development of Irrigation and Power and also propos- the appointment of a Technical Committee for recommending projects that might be included in the Second Five Year Plan Committee which has accordingly been set up will examine

Exclud ng Bhak a Nangal Harike and West Bengal p o ects as r pl es hav no h en received regarding them

projects proposed by the State and the Central Government other authorities and satisfy itself that

(i) the schemes have been prepared after detailed

(ii) the estimates are complete and correct technically and

(iii) the financial forecasts and estimates of benefits der are based on accurate data and are reliable and on basis of such enquiries advise the Planning Comm as regards the inclusion of projects in the Second F Year Plan

The Committee have been functioning for he last 6 months have so far held two meetings

Project	Progress of Expend ture (Rs lakhs)					Irrigated (Additional) (000 acres)				Installed capacity (Additional) (000 kw)				
	1951 52 (Ac tuals)	1952 53 (Ac tuals)	1953 54 (Re vised)	1954 55 (Bud get)	Five years cost	1951 54 Plan	1951 54 Achieve ment	1954 55 Plan	Five Years (Target)	1951 54 Plan	1951 54 Achieve ment	1954 55 †Antici cipated	Five Years (Target)	On comple tion
Bhakra Nangal	987	1884	2697	2827	7750	138	231	707	1361	48		96	96	144
Harike	†215	68	150	75	1062									
Damodar Valley Project	†1258	1488	1668	1801	4170	110		135	595	154	154	154	194	274
Hirakud	†858	715	1015	1450	4000				261				18	123
Additional provision for revised estimates					5000									
New Projects				1500	3000									
TOTAL	3318	4155	5130	7653	25382	248	231	842	2217	202	154	250	338	4

STATEMENT II—Progress of Irrigation Projects in the States

States	Area Irrigated ('000 acres)				Progress of Expenditure (Rupees in lakhs)					
	1951 54 Plan	1951 54 Achievement	1954 55 Anticipated	Five Years	1951 52 Actuals	1952 53 Actuals	1953 54 Revised	1954 55 Budget	Five Years Original	Five years Revised
Part A States										
Andhra		—			214 0	241 0	137 0	500 0		1709 ›
Assam	90	73	160	218	0 9	7 7	23 7	109 4	200 0	251 2
Bihar	336	336*	502	675	173 5	150 1	85 0	186 7	973 3	1323 3
Bombay	140	80	327	474	288 6	227 6	618 8	714 4	2269 0	2856 3
Madhya Pradesh	21	10	56	114	10 2	2 5	84 -	94 2	308 0	308 0
Madras	206	46	324	435	420 0	416 0	313 0	564 0	3408 0	2043 5
Orissa	350	62	419	480	63 8	53 6	54 0	60 0	300 0	300 0
Punjab	363	363	543	666	86 1	95 7	49 7	101 4	326 2	396 0
Uttar Pradesh	832	780	1112	1361	245 9	524 2	717 7	934 6	912 0	3 6 0
West Bengal	6 9	6 9	8 7	917	90	302	375 7	435 9	537 8	54 3

Part B States										
Hyderabad	10	32	211	306	400 2	453 7	544 7	610 7	2479 0	2779 0
Jammu & Kashmir	15	21	35	76	47 6	54 6	59 7	86 3	339 9	481 4
Madhya Bharat	29	9	54	83	32 1	3 6	48 0	87 6	3 8 0	310 0
Mysore	12	12	17	30	234 2	-78 3	201 5	310 5	716 0	1486 0
PEPSU						7 3	10 2	12 8	34 0	34 1
Rajasthan	129	73	179	243	56 1	51 3	96 1	267 9	503 6	772 3
Saurashtra	26	46	64	108	70 2	141 7	127 7	213 5	474 6	799 6
Travancore Cochin		12	6	17	86 0	9 5	88 0	135 6	478 0	578 0
TOTAL PART B STATES	313	215	566	863	926 4	1103 0	1175 9	17 4 9	5553 1	7240 4
Part C States										
Ajmer							1 6	2 1	11 3	36 3
Bhopal								4 0		10 0
Kutch	12	12*	31	38	6	23 5	24 1	27 0	91 0	91 0
Himachal Pradesh	25	38	50	75		4 0	1 0	5 0	80 0	80 0
TOTAL PART C STATES	37	40	81	113	2 6	29 5	37 7	38 1	182 3	217 3
GRAND TOTAL	3307	2626	4807	6316	2602 1	3153 4	3672 1	5482 6	16769 7	21356 3

Planned figures (target) given as figures of actual irrigation have not yet been reported

Statement III—*Progress of Power Projects in the States*

States	Installed Capacity—additional—000 kW				Progress of Expenditure (Rs in lakhs)					
	1951 54 Plan	1951 54 Achievement	1954 55 Anticipated	Five years	1951 52 Actuals	1952 53 Actuals	153 54 Revised	1954 55 Budget	Five years Original	Total Revised
Part A States										
Andhra	52	14	15	67	365 0	332 0	399 4	516 2		2041*
Assam				5		0 3	7 6	52 2	83 0	157 6
Bihar	5	5	7	11	78 0	150 5	153 4	360 8	708 7	973 7
Bombay	67	22	68	83	253 0	288 9	313 1	199 9	1043 0	1043
Madhya Pradesh	73	51	64	73	172 2	78 7	110 0	190 0	600 0	700
Madras	111	68	111	111	432 0	453 0	561 1	496 0	5024 0	2781
Orissa	7	5	8	8	58 6	58 6	72 6	158 2	391 0	456 5
Punjab					6 3	10 4	54 8	153 7	36 2	300 2
Uttar Pradesh	29	14	79	109	225 5	325 8	463 5	519 4	1411 0	2106 8
West Bengal			16	4	25 0	27 7	18 3	4 4	75 8	75 8
TOTAL PART A STATES	344	179	368	47	1615 6	1726 9	2053 7	2650 8	9252 7	9725 6

Exc uding Rs 7 kha hs

Part 'B' States

Hyderabad	53		15	53	50 4	72 2	81 9	107 1	320 6	320 6
Jammu and Kashmir			6	7	6 4	12 0	10 2	25 7	74 9	77 7
Madhya Bharat	14	4	18	15	46 7	57 5	76 1	43 3	228 0	287 7
Mysore	72	72	72	72	203 3	284 0	256 3	220 0	1268 0	1390 1
PEPSU					4 6				30 6	30 6
Rajasthan	11	12	16	35	39 6	18 5	31 4	123 5	40 8	291 6
Saurashtra	3		9	12	14 2	27 0	46 2	83 4	212 5	212 5
Travancore-Cochin	73	9	65	81	206 2	226 8	208 0	195 6	1036 0	1185 0
TOTAL PART B STATES	226	97	201	275	570 4	697 0	700	928 6	3210 4	2795 8
Part C States										
Bhopal	3	3	3	5	4 1	4 5	4 5	16 3	27 9	30 9
Coorg									35 0	35 0
Kutch						7 1	4 1	19 8	23 0	43 0
Tripura						0 3	3 5	3 9	7 0	7 0
Vindhya Pradesh				3		0 2	5 0	25 0	50 6	50 5
Himachal Pradesh				1		1 5	2 5	9 4	13 5	13 5
Manipur						0 6	0 5	5	12 0	12 0
TOTAL PART C STATES	3	3	3	9	4 1	14 2	20 1	78 5	168 9	191 9
GRAND TOTAL	573	279	572	755	2190 1	2437 1	2773 9	3527 9	12632 0	14713 3

STATEMENT IV—*Installed Capacity (Public Utilities—Both ment and Companies Owned)*
(As on 1st January of each year)

Name of State	Ste m				Hydro
	1951	1952	1953	1954	1951
Pa t A Stat					
Andhr				23 750	
A s m	200	200	200	200	550
Bih r	39,410	39 510	39 5 0	189 510	
Bombay	128 017	143 037	170 057	182,057	245 126
Madhy P ad h	21 338	37 881	51 881	66 881	
M dras	62 750	75 750	75 750	77 000	96,15
O is	776	776	3 776	5 776	5
Punj b	1 850	1 850	10 10	1 400	49 750
Utt P d h	15 090	161 90	65 090	65 090	22 700
W t B g l	5 6 251	539 901	539 901	540 701	2 760
P t B St t					
Hyd ab d	17 250	2 25	5	22 50	
Jamm & K hmir	1 500	1500	1 500	1 5 0	4 328
M dhy Bh t	8 709	8 459	8 459	1 459	
My e					107 00
PEPSU	526	526	526	526	240
Raj sth	13 765	17 65	19 765	25 165	
Sa htr	1 600	10 600	10 600	12 000	
Tr e & Cochin					30 100
Part C Stat (cl ding D lh)	31 402	36 952	56 952	59 452	376
	1 004 434	1 097 567	1 176 317	1 393 717	559 285

* Figures not yet published

Iydro		Dies l				T t l			
3	1954	1951	195	1953	954	1951	1952	1953	1954
		..		...	11,421				35 17
50	550	2 612	2,593	2 775	2,835	3 362	3,343	3 525	5,366
	4000	6,568	17 416	9 03	0 6 2	44,978	46 996	48 542	204 12
44	281 144	43 42	44 962	45 335	48,435	4 6,185	41 113	496,506	511,606
	...	6 506	5 976	6,227	6 552	7 844	43 857	58 8	73,433
10	137 910	9 1 5	11 383	10,213	1,688	63 5	189 093	2 9 3	216 638
5	5	3 835	4,079	4 399	4,523	4,6 6	4 860	8 18	0 304
50	49 750	9 777	12,115	12 156	18 588	61 377	65 9 7	71 006	73 187
20	33,220	10 6	2,883	3 513	3 588	8 34	200 195	00,823	211 898
16	2,760	3,283	3 513	3 717	4, 07	5 2,294	546 74	546,378	547 468
	..	3 8 3	3 984	4,55	4 56	21 73	26,234	6 80	6,8
514	4,514	465	465	465	465	6,293	6,479	6,479	6,479
		4 979	6,409	6 536	6 695	3 688	14,868	14,995	8 154
400	179,200				69	107,200	1 7,20	179,20	179,2 0
240	40	5 974	6 30	6, 3	6 0	6 74	8 896	6,896	6 766
:x		355	0 663	13	313	4 0	79 8	3 897	36,478
2	..	11,293	11 80	14 950	4 67	2 893	22,4	5 550	6 6 0
500	37 500	4,486	4 886	4 686	4 686	34,586	33 86	4 186	42 186
376	376	2 622	3 54	1,443	15 35	44,400	50 870	71 771	74,962
179 73	179	148 796	162,880	17 ,250	80 294	7 2,515	,846,672	2,06 755	2,305 9

	1951	1952	1953	1954†
te Owned (Public Sector)	627 355	698 34	882,736	1 086 8 9
ompanies wn d (Pri e S ctor)	1 085 60	1 37085	1 179 0 9	,2 7007
	1 71 5 5	1 835,426	2 06 755	2,303 906

† Break up and totals tentative

Statement V—*Large Industrial Power—Tariff*

(*Vide* Report of Electricity Tariff Advisory Committee on Tariffs for power from Bhakra Nangal and Uhl River Projects)

Name of undertaking	Demand—1000kVA			Demand—2500	
	50% L F	75% L F	90% L F	50% L F	70% L F
Bhakra Nangal (Proposed)	0 872	0 759	0 679	0 834	0 725
U P (Hydel)	0 933	0 809	0 741	0 870	0 765
U P (Kanpur)	1 275	0 924	0 863	0 932	0 851
Delhi (Coal at Rs 30 per ton)	0 865	0 865	0 865	0 865	0 865
Uhl River	0 644	0 591	0 561		
Damodar Valley (Coal at Rs 9 per ton)	0 794	0 703	0 650	0 771	0 677
Calcutta (Coal at Rs 23 10 per ton)	0 684	0 644	0 614	10 544	0 534
Madras Hydro	0 541	0 483	0 444	0 485	0 431
Tata Hydro (Bombay)	0 556	0 548	0 487	0 535	0 496

Chapter IX

INDUSTRY

Duiing 1953-54 the overall industrial production of the country .ached a post war peak level mainly as a result of the greater avail bility of raw materials and a stricter import policy The index of roduction rose during the year to 136 3 as against 117 2 in 1951 and ?8 9 in 1952 It would have been still higher but for a decline in roduction in the three major industries of Jute Sugar and Iron nd Steel Despite the general rise production in most industries ias still much below capacity due in most cases to lack of demand t current prices in the domestic and external markets Falling off demand in the latter was in some instances checked by appropriate vision of export duties

2 Expansion of industrial capacity as distinct from production as p oceeded during 1953 54 more or less at the same pace as in the reced ng year if the investments and developments connected with e pet oleum refineries are excluded from consideration

3 The progress made in the public and the private sectors the tion taken to implement recommendations contained in the Plan id the provision of finance for industrial development are review d in the following paragraphs

I Progress in the Public Sector

4 Most of the major industrial units in operation in the public ector have recorded higher levels of produc ion during 1953 54 as he following statistics show

Factory	Products	Actual Production			
		1951 52	1952 53	1953 54	Target for 1955 56
(i) Indian Telephone Industries	(1) Telephones (Nos)	21 628	27 000	40 000	25 000
	(2) Exchange Lines (Nos)	21 000	11 000	15 000	20 000
	(3) Single chan nel carriers (Nos.)			30	Nil
(ii) Sindri Fertiliser Factory	Ammonium sulphate (tons)	34 800	230 000	249 000	315 000
(iii) Chittaranjan Locomotive Factory	Locomotives (Nos)	17	33	64	100

Factory	Products	Actual Productions 1951 52	195 53	1953 54	Ta.. for 1955
(iv) Hindustan Ship-yard Ltd.	G R T	10,208	15 336	10 260	154
(v) Passenger coaches	(Nos)	542	622	604	4
(vi) Mysore Iron & Steel Works	(1) Pig iron (000 tons)	23 0	36 4	5 6	10
	(2) Steel finished (000 tons)	30 5	29 6	32 0	
	(3) Cement (000 tons)	57 0	78 0	68 0	5
(vii) Govt Electric Factory Bangalore	Transformers (kVA)	36 534	44 759	34 993	
(viii) U P Govt Precision Instruments Factory	(1) Water meters (Nos)		100	7 000 (estimated)	
	(2) Microscopes (Nos)			28 students and 8 research type microscopes ††	

* Represents target for capacity

† Production during Plan period including the output of the private sector

†† Production covers 1952—54 No separate figures are available

5 The progress of investment on Industrial Enterprises in public sector is shown in Appendix I at the end of this chapter T salient features of the progress made by individual undertakings noted below

6 *Chittaranjan Locomotive Factory*—The production of l motives as well a of components used in their manufacture steadily increased at the Chittaranjan Locomotive Factory during t past three years The number of locomotives produced at Chi ranjan during the period totalled 114 as against the five year tar of 268 units As regards the use of indigenous components in assembly of locomotives the Plan visualised that this would re 100 per cent by 1953 This target is stated to have been achieved the 100th locomotive turned out of the workshop on January 6 1954 In 1953 the output of finished castings in the brass foundry and th iron foundry averaged 54 tons and 170 tons per month respectively and in the smithy and forge section 115 tons per month The machine shops of the factory finished machinery components at the rate of 47 500 per month

7 *Ra lway Coach Factory*—Work on the construction of the inte-
al coach factory at Perambur which was started in February 1952 ntinued during 1953-54 when an investment of Rs 92 lakhs is esti ited to have been made as against Rs 48 lakhs in 1952 53 The inufacture of coaches is expected to commence in 1955 In March 54 the factory started a school for apprentices with a target of uning about 600 technicians annually during the first four years against Rs 4 0 crores visualised earlier as the investment on the oject it is now expected to be Rs 7 5 crores

8 *Sindri Fertilizer Factory*—Output of ammonium sulphate in eased lightly in 1953 54 but the factory did not quite attain full oduction throughout the year In October 953 manufacture was mmenced of the iron oxide catalyst which was being imported rlier The cost of production of the catalyst is estimated at about 3 2 500 per ton as against Rs 10 000 per ton paid for imported talyst

9 Expenditure of Rs 1 096 crores was incurred in 1953 54 as ainst Rs 82 84 lakhs in the preceding year on the con truction of ke ovens at Sindri with a daily production capacity of 600 ton r meeting the requirements of coke for the manufacture of ammo um sulphate Coke-oven batteries were commissioned and went to production on the 31st August 1954 As by products of the anufacture of coke benzene toluene zylol napthalene and coal tar e expected to be recovered for which the necessary equipment is lso being installed

10 Considerable progress has also been made with the prelimi iaries of the scheme for the expansion of fertilizer production at indri by making use of the by product oke-oven gases It was planned to urvey the possibilities of producing urea and/or ammo nium nitrate and funds were provided by the T C A for the prelimi nary studies A team of experts Indian and of the T C A visited fertilizer factories in Japan United States and Western Europe and submitted a report on the basis of which tender for the execution of the project were invited towards the end of 1953 The examina tion of the tenders received was completed by July 1954 and decisions are expected to be taken soon regarding the implementation of this expan ion scheme

11 *Mysore Iron & Steel Worl s*—The installation and experimental production of pig iron from the second Electrical Smelter was com pleted by the close of 1953 54 and it is expected that the output of pig iron by this factory will be increased by about another 30 000 tons in 1954 55 During 1953 54 sanction was given for a spun pipe plant and for the establishment of a sintering plant under the modified expansion scheme of those works

12 *Hindustan Shipyard*—During the triennium ending 31 March 1954 the Government of India spent Rs 107 16 lakhs acquisition of a share in the yard (purchase of shares) Rs 60 on its development Rs 100 40 lakhs as loans to Indian Shi Companies for the purchase of ships built at the yard and Rs lakhs towards construction subsidy Government further Rs 179 12 lakhs against the two batches of six ships ordered them The tempo of work at the yard was retarded to a extent due to the lack of sufficient orders for ships at the time this new Hindustan Shipyard Company took over the assets difficulty in the procurement of essential raw materials like and labour troubles As regards development activities at the they consisted of the completion of the third berth and the ins tion of a 125 ton crane for the fitting out wharf During construction of two additional berths was taken in hand As a of a review of the development programme for the shipyard, been decided to defer for the time being the manufacture of and boilers included earlier as one of the items of development the other hand it is now proposed to begin the construction of a dock estimated to cost Rs 150 lakhs of which about Rs 25 lakhs likely to be spent during the period of the Plan According present expectations a 70 per cent achievement of the target shipbuilding is envisaged over the five year period

13 *Indian Telephone Industries*—A sum of Rs 130 lakhs was ginally planned to be spent on this project during the five period but this has since been raised to Rs 159 lakhs and the actu expenditure during the three years 1951—54 has been about Rs lakhs The targets of production originally set were 25 000 te and 20 000 exchange lines per annum by 1955-6 but these have now been revised to 50 000 telephones and 40 000 exchange line In case of telephones the original target has already been exceeded

14 *Hindustan Cables*—The construction of the factory was almost completed during the period under review and product or comme in certain sections

15 *Machine Tool Factory at Jalahalli*—The construction of factory fell somewhat behind schedule but it is expected to turn ou the first batch of lathes by November 1954 The programme of th factory has been revised to accord with the demand for machin tools as indicated by recent surveys and to co ordinate it with the developments in the private sector

16 *Progress of other undertakings*—The progress report fo 1951—53 published in May last year listed the Bihar Government Superphosphate Factory the Nepa Newsprint Mills and the UP Government Cement Factory as likely to go into production during 1953 54 The commencement of operations by the UP Cement

Factory is now expected in September 1954 The other two factories have fallen still further behind schedule and are not now expected to go into production till 1955

17 The construction of buildings and the installation of plant and equipment at the Penicillin and D.D.T Factories has fallen slightly behind schedule According to the latest appraisement these plants will go into production by the end of the current year

18 The Hindustan Housing Factory which was registered in January 1953 started production during the year This Company has taken over the assets of the old Government Housing Factory for the manufacture of pre fabricated houses it has repaired and reconditioned the plant and equipped it for the production of various items of manufacture the principal being wood work pre-stressed and pre-cast concrete components foam concrete panels steel fabrication and vibrated cement concrete pipes During the year production in Wood Work and Cement Concrete Pipe Sections was achieved since then production of the other items has also started

19 As regards the silver refinery project agreement for the supply of plant and equipment was executed with the German firm Demag in 1953-54 According to this agreement the required machines are to be delivered in three instalments in May July and September 1954 and the plant is expected to be put into commission early in 1955

20 The Plan envisaged the production of power alcohol by the Nasik Distillery of the Government of Bombay Regular production commenced in July 1954 with the extension of the Power Alcohol Act to the Nasik District so as to provide the necessary offtake

New Projects

21 A number of new projects have been receiving consideration details of which are as follows

22 *Iron & Steel Project*—Further progress has been made during the year on the preliminary arrangements for the integrated iron and steel plant visualised in the public sector under the Five Year Plan It has been finally decided to locate the factory at Rourkela in Orissa State and land has been acquired for its construction An agreement has been signed with the Krupp Demag Combine for financial and technical collaboration in the execution of this major industrial project The German Combine have recently submitted a report outlining the features of the plant and the processes to be adopted which have been broadly accepted by Government It is now expected that the calling of tenders and the construction of the factory will commence during 1954-55 after the receipt of a second report from Krupp-Demag The latest estimate places the total expenditure on this project during the present Plan period at about Rs. 33 0 crores

23 *Heavy Electrical Machinery*—Various proposals for establishing in the public sector a plant for the manufacture of heavy machinery are still under consideration The Plan provided Rs crores for this project out of the lump sum provision of Rs 50 crores for basic industries and transport It is now thought that the investment on this project during the present Plan is not likely to exceed Rs 2 crores

24 *Other New Projects*—A scheme for the manufacture of bank note paper was also accepted against the lump sum provision but it is still in the preliminary stages of examination

25 Among new projects decided to be taken up in the public sector in 1953-54 mention must be made of the scheme of the Mysore Government for the manufacture of high tension insulators at Bangalore This project is based on collaboration with the Japanese firm of Nippon Gaishi Kaisha Ltd and is expected to involve an investment of Rs 63 lakhs Government also took a decision during 1953-54 to construct a plant at Trombay for the recovery of uranium oxide and thorium nitrate from the residual cakes of the rare earth factory in operation in Travancore-Cochin at an estimated cost of Rs 45 Another important development finalised during the year relates the establishment of a factory for the manufacture of wireless electronic equipment near Bangalore in collaboration with the *Compagnie Generale de Telegraphie Sans Fil* at an estimated cost of Rs 7 0 crores

II—Progress in the Private Sector

26 In appendix II will be found a Statement showing the progress made towards targets of capacity and production by the 41 industries for which development programmes were formulated by the Planning Commission Most of them fall wholly in the private sector but a few fall partly in the public sector also Thus the statistics given in the Statement in appendix II regarding iron and steel fertilisers locomotives passenger coaches wagons cement and transformers relate to both the public and private sectors combined In these cases the output of the public sector alone has already been given in paragraph 4

27 The appendix also contains brief notes on each of these 41 industries but the principal developments are summarised in the following paragraphs

28 By the end of 1953-54 applications had been received and licences issued under the Industries (Development and Regulation) Act 1951 in respect of nearly all the major new units and substantial expansions included in the Programmes of Industrial Development 1951—56 The only important exceptions are the project of Fertilisers and Chemicals (Travancore) Ltd (FACT) for doubling its

annual output of ammonium sulphate (46 000 tons to 92,000 tons) and of the Aluminium Corporation of India for expanding production of aluminium from 2 000 tons to 5 000 tons of ingots per annum.

29 To judge by the progress made so far and the licences already issued it seems probable that in most industries the additional capacity envisaged in the Plan will have been achieved by 1955-56 and in some industries will have been substantially exceeded. For instance in the cement industry additional capacity of 3 3 million tons as against a target of about 2 million tons is likely to be installed by the end of the Plan period in the cotton textile industry at least 1 05 million new spindles as against 800 000 envisaged in the Plan in the case of rayon filament an additional capacity of 21 6 million pounds instead of 18 million pounds and in the case of paper and paper board 145 000 tons instead of 74 000 tons Similarly greater additional capacity than was contemplated in the Plan is likely to be achieved in the case of sulphuric acid caustic soda ugar penicillin benzene hexachloride sulpha drugs and spindleage in the woollen industry

30 One major new development recommended in the Plan was the manufacture of pulp for the rayon industry A scheme involving technical collaboration with an Italian firm and some financial assistance from Government has been put forward by the Silk and Art Silk Mills Association. Details of the project are under formulation and scrutiny

31 On the other hand no proposal for the manufacture of sulphur and sulphuric acid from gypsum recommended in the Plan has come up for sanction though certain preliminary surveys are reported to have been made by an interested firm Similarly no progress has been made on the conversion of sulphuric acid plants for operation on pyrites instead of sulphur and schemes for this changeover envisaged by some manufacturers like FACT have been given up with the recent improvement in the price and availability of sulphur

32. As regards actual production a number of important industries falling wholly or mainly in the private sector have in the last two years increased output by appreciable percentages over that of the year immediately preceding as shown below —

Percentage Increase in Production in some Important Industries

Percentage Increase over the Preceding Year

	1952 53	1953 54
1. Cotton Textiles—	10 6	2 9
(a) Yarn	15 4	2 0
(b) Cloth	7 0	14 7
2 Cement	13 0	84 4
3 Sheet Glass	9 2	39 3
4 Soda Ash	13 3	
5 Caustic Soda		

Percentage Increase over the Preceding year

		1952 53	1953 54
6	Sewing Machines	8 5	31 1
7	Bicycles	73 0	36
8	Ball Bearings	96 0	4
9	Rayon Filament	32 0	1
10	Transformers	14 3	41
11	Electric Motors	3 8	0 6
12	A C S R Conductors (Calendar years)	38 4	3
13	Power Alcohol	19 2	12
14	Grinding Wheels	10 8	
15	Salt	3 0	6
16	Vanaspati	10 6	

33 As against the rising trends in production of the listed above there are some which have registered a decline 1 the output of sugar automobiles and radio receivers has fallen 1951 52 and in the case of jute manufactures and teachest ply the rising trend in output witnessed in the first two years of Plan received a setback in 1953 54

34 Some new products manufactured for the first time the year 1953 54 are staple fibre cement grinding media steel woo layer built batteries free wheels and chains for cycles rubber veyor belting hosiery knitting needles milling machines 31½ x9 (both plain and universal) multi spindle drilling machines cotinyl hydrazide aureomycin synthetic acetic acid and acetone

35 Important new industrial units which went into productic during 1953 54 are given below —

New Units

Name	Annual capacity
Ballarpur Paper & Straw Board Mills	8 000 tons.
Jaipur Udyog Ltd. (Cement Factory)	165 000 tons
Gawalior Rayon Silk Manufacturing (Weaving) Co Ltd (Staple Fibre)	28 000 bales
Sodepur Glass Works Bhurkanda Sheet Glass Factory	21 600 tons
Textile Mills (6)	32 608 spindles and 350 looms.
Expansion Schemes	*Additional Capacity (Annual)*
Expansion of Shri Digvijay Cement Company	100 000 tons
First Stage expansion of Steel Corporation of Bengal	75 000 tons of finished steel.
T I Cycles of India (Factory B)	Production of components
Alkali & Chemical Corporation	2 500 tons of caustic soda.
Textile Mills (28 units)	66 100 spindles (1953)
Sirpur Paper Mills	10 000 tons of paper
Rohtas Industries	7,000 tons of paper & boards.

36 *Major Schemes under implementation which are expected to be - production during* 1954-55 —A number of other industrial projects ere at varying stages of development in 1953-54 and are expected - go into production in the current year The major ones among ese are a sheet glass factory* with an annual capacity of 10 500 ns of sheet glass three cement projects (new units as well as ex insions) which will add 300 000 ton to the installed capacity a jant for the manufacture of 4 million pounds of rayon filament the cellulose acetate variety a plant for the manufacture of 8 000 ins of ammonium chloride two expansion schemes for the produc on of 3 000 tons of aluminium ingots In the field of drugs men on must be made of the project for the manufacture of chloram enical undertaken by the Parke Davis Company which went into oduction in July 1954 An up-to-date plant for the manufacture of) tons of calcium carbide per day is to go into experimental produc on in September 1954 Expansion schemes for increasing the installed capacity for soda ash by 30 000 tons per annum are also heduled to be completed during the year The expansion project sualised by the Indian Cable Company at a cost of about Rs 2 8 crores inclusive of working capital was partially completed in 1953 54 with the in tallation of their aluminium and black copper rod mill ost of the other projects of this company which were under imple entation are expected to be completed in the current year

37 *An important development* responsible for heavy investments 1953 54 is the setting up of petroleum refineries by the Standard acuum Oil Company and Burmah Shell The actual investment the refineries of these two companies during 1953 54 came to s 15 0 crores as against the previous estimate of Rs 21 0 crores hese plants are expected to be in production before the end of 954-55 The refinery of the Standard Vacuum Oil Company went ito experimental production in July 1954 A debenture loan of Rs 4 0 crores was raised by the S V O C in the Indian market during 953 for financing the rupee expenditure of this project

38 *Progress on long term major development schemes*—Refer nce must be made to the present position of expansion schemes of relatively long term nature like those of the Tata Iron & Steel Company (TISCO) the Indian Iron and Steel Company (IISCO) and the Indian Aluminium Company Whereas the implementation of the first has been proceeding satisfactorily—the allied scheme for the installation of Fretzmoon plant to manufacture pipes (tube mill) in association with Messrs Stewart Lloyds is also proceeding to schedule for completion by December 1955—no progress had been recorded on the others The unsatisfactory labour conditions at

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* Went into production in July 1954

Hirapur were largely responsible for the setback in the impl tation of IISCO s expansion programme The completion of expansion which was originally scheduled for 1957 will be by at least a year Similarly the Indian Aluminium C aluminium smelter near Hirakud which was originally fixed to into operation in January 1956 is not now expected to make contribution to production of aluminium until sometim after middle of 1956 Since a close co-ordination is to be maintai tween the time schedule for completion of construction of smelter and the commencement of delivery of power by the H Project the various connected issues are still under d between the company on the one hand and the Government a project authorities on the other

39 *Important industrial projects not included in the Plan*—industries e g dyestuffs were not included in the developm grammes drawn up by the Commission A certain amount of cial investment (about Rs 38 crores during 1951—56) was hc expected to be made in such industries and it is necessary to cognizance of development projects relating to these industrie order to obtain a comprehensive view of the expansion of industry as a whole Some of the important projects falling this category for which the consent of the Government during 1953 54 and the construction of which is expected to b tiated in the current year are noted below

(i) Manufacture of Industrial Explosives by Imperial Che cal Industries (India) Ltd The plant for this Explosives Factory is expected to be located near in Bihar State Foreign investment in this will be Rs 2 6 crores Government have prov Rs 40 lakhs in the budget for 1954-55 towards pa pation in the capital of the project

(ii) Manufacture of dyes by the Indian Dyestuff Industries L the I C I—Atul Combine and Amritlal & Co

(iii) Establishment of a heavy steel castings foundry with annual capacity of 600 to 700 tons by the Tata Locor tive & Engineering Company

(iv) Establishment of a 50 000 KW Thermal Power Plant a Trombay by the Tata Hydro Electric Agencies at a

estimated cost of Rs 7 0 crores During 1953 54 an issue of Rs 3 0 crores was fully subscribed by the existing share holders of the three Tata Power Companies sponsoring this project

PROGRESS ON ANCILLARY RECOMMENDATIONS CONNECTED WITH INDUSTRIAL DEVELOPMENT

40 The present position in regard to the recommendations made the Plan for the planning development regulation and manage nt of industries is set out below

41 *Central Board for Industries*—In the chapter on The Reform Public Administration the Planning Commission recommended early establishment of a single Central Board which would con n itself with the larger problems of policy management and orga ation for the industrial undertakings of the Central Government. various issues connected with the establishment of a Central ard are still under consideration of Government

42 *Company form of management for State Industrial Under ings*—It was recommended in the Plan that for the conduct of e enterprises companies should be constituted with a large mea of internal autonomy In accordance therewith companies have n established for the new Iron and Steel Project the Visakha tam Shipyard the Sindri Fertilizer Factory the Jalahalli Machine l Factory the Dry Core Cable Factory the Housing Factory the ian Foundry the D D T Factory and the Penicillin Factory The ephone Factory at Bangalore and the Rare-earths Factory in vancore Cochin were provided with this form of management n before 1951 As regards the industrial units of State Govern nts most of them are still being managed departmentally and the npany form of management is in vogue only in the case of the wsprint Factory of the Madhya Pradesh Government

43 *Industrial Management Service*—A comprehensive examina n of the proposals for constituting an Industrial Management dre to which reference was made in Chapter VI of the First Five ar Plan was carried out during this period An early decision is ected to be taken

44 *Commercial Audit of State Enterprises*—With the increase in number of State Industrial Undertakings that have gone into duction there has been an expansion of work connected with ir commercial audit In order to cope with this increased work re has been an expansion of the personnel under the Auditor neral who is entrusted with this responsibility under the Consti ion The establishment of commercial audit wings in the various

audit offices is in progress and the limiting factor has been the at which qualified officers and staff could be recruited and It has been s ated in the report for 1953-54 of the Ministry Finance that there was a lag between the strength of staff exclusively for commercial audit and the number of posts act filled as on 1st October 1953 Further though as many as 100 p were filled in the Subordinate Accounts Cadre as against the tioned strength of 113 the number of qualified candidates in per came to only 32

45 *Reform of Company Law and Centralisation of the for the Administration of Company Law*—In accordance with *recommendation made in the section on Industrial M* the Chapter VI of the First Five Year Plan an organisation constituted for ensuring better administration of the Company and for the discharge of other related functions The supervising this work at the State level *on an agency basis* been brought under the control of the Central Authority Ministry of Finance called The Organisation for Company Investment Administration with effect from 1st October Bill has also been introduced in Parliament for amending the Companies Act broadly on the lines of the by the Company Law Committee This legislation is nt *bring about an improvement in the administration of* inc undertakings in the private sector

46 *Development Councils for Industries*—The Plan visu development councils as the agencies which would ensure a improvement in the standards of productivity quality of se and management of industrial units apart from helping in sec conformity of private industry with the planned pattern of d ment But whereas 7 development councils were expected to b up in 1952 so far these agencies have been established only for industries—Heavy Chemicals and Fertilizers Internal Comb Engines and Pumps Bicycles and Sugar The constitution of a more councils is envisaged during 1954-55 and the responsibility the formulation of development programmes for the industries the Second Five Year Plan is proposed to be entrusted to these b wherever they exist

IV Special Enquiries into Industries

47 The Engineering Capacity Survey Committee and the maceutical Enquiry Committee appointed in early 1953 carried their surveys during the year The former submitted certain p minary *recommendations which are under consideration* and latter submitted its report in May 1954 A Committee was appo

during the year to go into the question of ensuring maximum efficiency in production and increasing the ability of ordnance factories to produce a larger variety of defence stores This Committee has also been asked to suggest measures for the maximum utilisation of surplus capacity for civilian production and examine measures for improving quality control The Jute Enquiry Commission set up during the year emphasised the importance of modernisation in its report submitted to Government in early 1954 The Cotton Textile Enquiry Committee continued its investigations into the different aspects of the Industry and it is now expected that its report will be available by September 1954 A special *Ad Hoc* Committee has been set up to watch the progress of automobile manufacturers in the implementation of manufacturing programmes examine new proposals etc. and advise the Government on matters connected therewith During the current year an enquiry was initiated by the Railway Board into the capacity of railway workshops with a view to increasing their output The Committee appointed for this purpose with the Director of Mechanical Engineering of the Railway Board as the Chairman will *inter alia* examine the possibility of introducing the manufacture of complete items of rolling stock which are at present imported such as narrow gauge coaches and wagons It will also review the requirements of machinery and plant for railway workshops in order to produce components which would otherwise have to be imported and which indigenous manufacturers are not likely to produce at present It will also recommend necessary changes in the specifications for machines used in railway workshops so that they can be manufactured by the indigenous machine tools industry

48 A committee was also appointed to advise the Government on economic and technical issues connected with the expansion scheme of Fertilizers and Chemicals (Travancore) Ltd and another committee made enquiries into the Nepa Paper Mills (Newsprint) Project of the Madhya Pradesh Government Towards the end of the year 1953-54 an Indian technologist was selected to examine the relative advantages of different possible locations for a new soda ash factory Some of the items under the manufacturing programme of the Mysore Iron and Steel Works were reviewed during the year by technical advisers of the Central Government Recently the assistance of a foreign expert was availed of to examine certain projects under the expansion schemes of the works the implementation of which has not so far been approved.

V Industrial Finance

49 *Investment in Private Sector*—In the First Progress Report published in May 1953 the fixed capital investment on new industrial units and expansion schemes in the private sector during the two

years 1951 53 was estimated at about Rs 45 crores but this estimate was revised to Rs 52 crores It was further estim that in the single year 1953 54 similar investments would be order of Rs 53 crores of which expenditure on the petroleum fineries would account for Rs 21 crores and on the expansion of Iron and Steel Industry Rs 7 68 crores A re-assessment of actual investments in 1953-54 was recently undertaken On the of data received direct from the industrial units concerned mented by data derived from balance-sheets and by estimates respect of industries for which no exact information was fo the actual investments in 1953 54 have now been placed at ab Rs 44 crores The major sectors of industry in which was lower than previously estimated are petroleum refining a iron and steel In the latter industry the actual funds availed by the Indian Iron and Steel Company from the budgeted provision of Rs 4 0 crores in 1953 54 came to only Rs 82 lakhs lag between estimated and actual investment in 1953-54 on p refineries is primarily due to a shifting of part of the expend into the following year Even so an investment of Rs 44 during the year represents a significant stepping up of expend in the industrial sector when compared to the average figure of ab Rs 26 crores per annum in the first two years The increased ment in the private industrial sector is also corroborated by the r in imports amounting to about Rs 4 35 crores of other sort machinery in 1953-54

50 The position at the end of the third year of the Plan is th he actual investments in the private sector amounted to Rs 96 crores during the triennium as against the estimated investment Rs 233 0 crores during the entire period On the basis of supplied by industrial units implementing or envisaging deve ment programmes during 1954-55 it is estimated that the capital investment during the current year will come to about Rs crores The major investments are expected to be made in petroleum refining iron and steel cement rayon and cotton textu industries and in the generation of electric power

51 *Investments in the Public Sector*—The total investment on industrial projects in the public sector was expected to amount to Rs 94 0 crores during 1951—56 Of this total investment the share of the Governments at the Centre and the States was estimated at about Rs 74 crores and the balance was expected to be contributed by collaborating firms and international agencies (U N T A A, U.N.I.C.E.F and T C A etc) The total investment of Rs 94 0 crores did not include the industries envisaged to be developed out of the lump sum provision of Rs 50 0 crores e g the Heavy Electrical

lachinery Project and the schemes brought into the Plan under djustments e g the expansion of the Mysore Government Porcelain actory Bangalore for the manufacture of high tension insulators 'he total investments actually made on the projects in the public ector during 1951—53 came to only Rs 20 71 crores and according to evised budget estimates the expenditure during 1953 54 will have een about Rs 9 crores The low level of investment during the riennium is due to difficulties and delays encountered in the formu ation and execution of some of the Central Projects e g the new iron nd steel project and the machine tool factory Some of these rojects have also been modified leading to reduction in investments g the Machine Tool Project and the development of Hindustan Shipyard Ltd If the total investment on industrial projects in the ublic sector during the quinquennium is to be of the order of Rs 95 rores (as per revised estimates) an investment of about Rs 65 rores will have to be made during the period 1954—56 The achievement of such a high level of investment in the last two years of the Plan depends mainly upon the realisation of the expectations of Krupp-Demag that expenditure of about Rs 33 crores can be incurred on the new iron and steel project during this period

52 *Financial Assistance for Industrial Expansion from Institutional Agencies set up by Public Authorities*—The assistance rendered by the institutional agencies set up by public authorities for the execution of industrial projects is as under

(In lakhs of Rs)

	1951 52		1952 53		1953 54	
	(a)	(b)	(a)	(b)	(a)	(b)
() Industrial Finance Corporation of India (year ended 30th June)	445 25	178 38	143 25	249 76	527 05	281 86
(ii) Madras Industrial Investment Corporation (Yr ended 30th June)	5 40	5 40	24 85	16 50	51 45	22 20
(iii) Industrial Trust Fund Hyderabad	51 96	48 69	58 81	48 05	9 49	12 1
(iv) Punjab Finance Corporation (Yr ended 31st March)					25 07	8 84
(v) Bombay Finance Corporation (Yr ended 31st March)					(c)	Nl

(a) Loans sanctioned (b) G oss advances to industrial un ts ( ) Applicatio loans are still under scrutiny at the end of the year

53 The aid from the Industrial Finance Corporation of India and similar bodies at the State level was envisaged at Rs 20 crores during 1951—56 Compared with this the amount of loans actually availed of in the period 1951—54 is very small In order to enable the IFC to be of greater assistance to the private industrial sector proposals to amend the Act so that loans could be advanced to industrial units not already in production are under consideration The volume of assistance to industries is expected to be much greater than in the past with the constitution by some of the State Governments of Finance Corporations which will pay increasing attention to med and small scale industries within their territories Unlike the IFC these new bodies will be extending loan assistance to managed as private limited companies partnerships or propriet concerns

54 *Industrial Development Corporation*—The Five Year Pl assigned the second highest priority—the first being the fuller sation of existing installed capacity—to the development of produ and capital goods industries and to filling gaps in the indu structure Since investments in such industries are not likely so immediately remunerative as those in consumer goods private enterprise has experienced difficulty in raising equity for them from the investment market It has therefore been that in order to facilitate their development a part of the req resources must be made available from a new institutional with power to take the initiative incur risks and underwrite which existing agencies cannot do Accordingly Government a decision in 1953 54 to establish an Industrial Development C tion This Corporation will also be entrusted with the responsibi for accelerating the pace of modernisation and replacement in two leading export industries of the country viz cotton and textiles

55 During 1953-54 negotiations were also initiated for the e lishment of an Industrial Development Bank to render aid to th private sector with the help of a loan from the World Bank

56 *Progress on Replacement and Modernisation Programmes of Industries*—The Planning Commission estimated that the expend ture on modernisation and replacement programmes in the industrial sector during the period of the Five Year Plan would be of the ord of Rs 150 crores The principal industries where major replacements and modernisation were considerably in arrears in the post war period and were expected to take place were Cotton Textiles Jute Sugar and Iron and Steel

57 In the case of the cotton textile industry the working party on Cotton Textile Industry recommended that Government should vance Rs 50 crores in the form of interest free loans for its rehabi ation No decision was taken on this recommendation since vernment desired to take into consideration the recommendations the Cotton Textile Enquiry Committee also Nevertheless some the premier mills in the industry have carried out modernisation ogrammes in the preparatory and finishing sections and to a lesser tent by the introduction of automatic looms in the weaving tions The Tata Mills Nagpur and the Buckingham and Carnatic lls Ltd Madras raised debenture capital of R 40 lakhs and Rs 1 0 ore respectively to augment their internal resources for carrying t the replacement and modernisation programmes It is tentatively imated that the total investments on replacements and modernisa n in the textile industry were of the order of Rs 20 crores during 51—53

58 The modernisation and replacement programmes in the jute nufacturing industry have been mainly confined to introduction modern preparatory machinery such as Makie Sliver Spinning ants Investments have also been made in replacement of electric chinery and substitution of steam engines by electricity In the ar preceding the commencement of the Plan the Kinnison Jute mpany and the Northbrook Jute Company invested about Rs 90 khs on replacement and modernisation The Union Jute Mills Standard Jute Company the Champdany Jute Company and the hati Jute Mills are four of the companies known to have placed lers for modern Makie Sliver Spinning Machinery in 1952-53 The ogrammes of these companies are expected to be implemented in 54-55 The total investment on replacement and modernisation in Jute Industry is estimated at Rs 5 crores during 1951—53

59 In the Sugar Industry the investments have been more or s for current replacements and a few expansions by existing mills significant programme of large scale replacement and modernisa n of obsolescent machinery has been carried out

60 The major programmes of replacements carried out in the n and Steel Industry relate mainly to the installation by T I S C O the new Simon Carves Battery of coke-ovens in place of the old lputte battery dismantled in July 1951 and the re building of the blast furnace which went into operation in June 1954 This is first modern blast furnace engineered and built in India withou outside technical assistance Among secondary producers the ian Steel and Wire Products Ltd undertook a reorganisation gramme of rod mill and modernisation of nail mills and galvanis sections

61 The needs of the cement industry for replacement and development finance were examined by the Tariff Commission in its report on cement prices submitted to Government in 1953 In partial modification of the proposals of the Tariff Commission Government have decided to allow a net additional sum of Rs 2 per ton to every unit other than the few high cost units provided the company agrees to set it apart in a rehabilitation and expansion fund to be operated with the consent of Government

62 Considerable light on the problem of replacement finance is expected to be thrown before the end of the year by the Taxation Enquiry Commission who have undertaken a comprehensive enquiry into the subject of industrial finance

APPENDIX I

Progress of Expenditure on Industrial Projects in the Public Sector

(Rs lakhs)

Projects	1951-56 (Original Plan provision)	1951-52 (Actuals)	1952-53 (Actuals)	1953-54 (Revised)	1954-55 (Budget)	1951-56 (Latest Estimate)
1	2	3	4	5	6	
CENTRAL GOVERNMENT—						
(A) *Ministry of Production*						
Hindustan Steel Ltd	3,000 0		0 5	2 7	1 000 0	333 1
Hindustan Shipyard Ltd	1,408 0	181 0	291 1	128 6	234 7	1,232 9
Hindustan Machine Tools Jalahalli	963 8	67 9	107 0	0 1	200 0	425 0
Sindri Fertilisers and Chemicals Ltd	903 0	260 2	182 8 (a)	113 6 (b)	539 0 (1954-56)	903 0
Hindustan Antibiotics Ltd	206 6 (c)	2 1	7 7	52 8	56 0	206 6
National Instruments Factory	182 0	7 7	3 4	1 0	32 0	84 1
Hindustan Cables Ltd	129 7	2 0	16 4	65 0	40 0	129 7
Development of Mandi Mines	100 0	} 4 5	2 9	3 9	9 0	30 2
Development of Existing Salt Works	50 0	}				
Hindustan Insecticides Ltd Delhi	39 1 (d)		0 1	15 0	24 0	43 8
Hindustan Housing Factory	11 8	12 6	0 8	( ) 0 4		13 0
Heavy Electrical Equipment Project	700 0 (e)				50 0	200 0
(B) *Ministry of Finance*						
New Mint Alipore	43 2	18 0	5 7	13 7	8 2	45 7
Silver Refinery Alipore	46 8	0 3	0 5	19 3	62 0	88 0
Photogravure Project	4 0	0 5		2 5		3 0
(C) *Ministry of Railways*						
Chittaranjan Locomotive Works	473 0	237 0	84 0	18 0	12 0	355 0
Integral Coach Factory Perambur	400 0	4 0	48 0	92 0	65 0	747 0

(a) Rs 82 8 lakhs on Coke Oven Plant } Out of depreciation and replacement funds
(b) Rs 109 6 lakhs on Coke Oven Plant }
(c) Includes Rs 57 07 lakhs from UNICEF & UNTAA
(d) Includes Rs 16 7 lakhs from UNICEF & UNTAA
(e) Out of the lump sum provision of Rs 50 crores for basic industries and transport

1	2	3	4	5	6	7
(D) Ministry of Communications						
1 Indian Telephone Industries	130 0	65 0	33 0	82 0	85 0	349 0
(E) Ministry of W H & Supply						
1 Nasik Printing Press	102 3		5 4	14 4	32 0	128 0
(F) Ministry of NR & SR						
1 Indian Rare Earths Ltd	54 0	30 0	10 0 (Rev)	18 0	N A.	58 0†
- Printing Ink Factory	5 8		- 0			2 0
TOTAL	8 953 1	892 8	801 3	66- -	2 648 9 (g)	8,407 1
II STATE GOVERNMENTS						
1 Myso e Iron and Steel Works	283 0	40 0	27 0	17 0	100 0	283 0
2 Mysore Government Porcelain Factory (Manufacture of H T Insulators)	63 0 (f)				30 0	6 0
3 Mysore Government Electric Factory (Expansion of Transformer Section)	10 0		1 5	- 0	- 4	10 0
4 Mysore Government Soap Factory (Expansion Scheme)	3 0	0 8	0 2	1 0	4 0	6 0
5 U P Government Cement Factory	230 5	43 1	55 0	84 8	90 0	92 0
6 U P Government Precision Instruments Factory	50 2	9 5	5 4	4 8	6 8	33 0
7 NEPA Mills Ltd	-00 0	50 3	15 9	96 5	82 7	254 9
8 Sirsilk Ltd	200 0	65 6	43 7	1 0		110 3
9 Sirpur Paper Mills	60 0	N.A	N A	N A	N.A	N A.
10 Bihar Government Superphosphate Factory	41 1	0 4	6 7	4 -	41 9	-4 5
11 Travancore-Cochin Govt Ceramic Factory	15 0	3 2	8 6	5 2	5 0	0
TOTAL	1 155 8	212 9	164 0	210 5	36- 8	1 128 8
GRAND TOTAL	10 108 9	1 10- 7	965 3	878 7	3,011 7 (g	9 535 9

(f) Out of Adjustments

(g) A Part of the investment in respect of Sindri Expansion will fall in 1955 56

† Figure denotes estimated investment during 1951 54

Latest estimates have still to be worked out as the development programmes have been revised

Figure denotes estimated investment during 1951 55

APPENDIX II

Statement sho ing the Progress made towards Targets of Capacity and Production during the period 1951 52 to 1953 54

Industries	Unit	Annual Rated Capacity			Actual Production					Remarks
		Beginning of Plan period 1950 51	1953 54	1955 56 (Target)	Beginning of Plan period 1950 51	1951 52	1952 53	1953 54	1955 56 (Target)	
2	3	4	5	6	7	8	9	10	11	12
A —METALLURGICAL										
Iron and Steel										
() P g Iron (ma n produ ce s only)	Tons 000	1 878		2 835	1 572	1 740	1 692	1 651	2 835	Target for capacity and production will be achieved on completion of expansion schemes Including the output of the Secondary Producers
( ) F n sh d Steel (main producers only)	Tons 000	1 015		1 650	976	1 083	1 086	1 081*	1 650	
Alumin um	Tons	4 000	4 000	20 000	3 677	3 905	3 420	3 846	12 000	

10	Sew ng Machines	Nos 000	37 5	41 5	92	33	48	52	68	92	
11	Hurricane Lanterns	Nos 000	4 60	4 583	4 500	3 244	3 968	3 531	4 547	6 000	
1.	Grinding Wheels	Tons	360	535	840	231	352	390	395	750 to 800	
	C ELECTRICAL ENGINEERING										
13	Dry Batteries	Nos Million	85	222	310	137	146	125	153	320	The rated capacity has been re-assessed by the Development Wing during 1953 54
14	Storage Batteries	Nos 000	446	350	538	200	212	136	179	400	
15	Cables and Wires—A C S R Conductors	Tons	2 500	6 620	5 000	1,420	1 720	2 381	3 80	5 000	The production figures relate to the calendar years, 1950 1951 1952 and 1953
16	Electric Fans	Nos 000	288	303	360	194	15	189	06	3 0 to 350	
17	Electric Lamps	Nos 000	23 000	29 000	3 500	14 000	17 300	20 740	19 800	30 000	
18	Electric Mot rs	H P '000	149	00	300	99	154	160	161	3 0	
19	Electric Tran formers	K V A. '000	370	328	485	179	02	231	327	450	The capacity has been re assessed by the Development Wing in 1953 54
20	Radio Receivers (organised sect)	No '000	77	153	380	49	88	69	58	350	
	D CHEMICAL & ALLIED INDUSTRIES										
21	Fertilizers—										
	(i) Ammon um Sulphate	Tons 000	79	427	481	46	95	52	307	450	
	( ) Superphosphate	Tons 000	123	211	209	55	57	50	66	180	

1	2	3	4	5	6	7	8	9	10	11	12
22	Heavy Chemicals—										
	(i) Sulphuric Acid	Tons 000	150	197	2.1	99	129	96	120	200	
	(ii) Soda ash	Tons 000	54	61	86	45	47	47	56	78	
	(iii) Caustic Soda	Tons 000	19	38	37	11	15	17	25	33	
23	Drugs & Pharmaceuticals—										
	(i) Benzene hexachloride	Tons		500	500			66	130	500	Production figures relate to calendar years
	(ii) Sulpha drugs	Lbs 000		740	400			70	77	400	
	(iii) Calcium lactate	Lbs 000		237	112		90	59	70	112	
24	Paints and Varnishes—										
	(i) Ready mixed paints varnishes etc	Tons 000	65	65	70	29	33	32	33	60	
	(ii) Pigment (titanium dioxide)	Tons		1 800	1 800		152	234		1 800	Capacity figure relates to the year 1953 and the production figures relate to the calendar years 1951 1952 and 1953
	(iii) Nitro-cellulose Lacquers	Gals 000		400	380		92	145	200	300	
	(iv) Aluminium Paste and Powder	Tons		500	750		13	296	56	750	
25	Soap	Tons 000	265	282	280	106	86*	85*	76	200	Figures relate to organised factories only
26	Tanning and Foot wear (leather footwear	Pairs 000				5 195	5 711	5 043	5 673		Figures relate to organised factories only
27	Paper & Paper—board	Tons 000	137	174	211	114	135	137	137	200	
28	Cement	Tons '000	3 280	4,243	5 306	2 692	3 281	3 510	4 028	4 800	
29	Glass and Glass wa e—										
	( ) Sheet gl	Ton	1 700	41 760	5 00	5 850	5,400	6 00	50	6 000	–
	( ) Bl wn w & p essed	Ton 000	202	204	2 8	6	94	80		3 0	

	E LIQUID FUELS										
30	Petroleum Products— (i) Liquid Petroleum Products (in terms of crude petroleum)	Tons Million	0 25	0 25	2 0					403	In millions of gallons
	( ) Bitumen	Tons 000			N A					37 5	Capacity of the two refineries when in full production will be 734 million gallons of liquid petroleum products and 150,000 tons of bitumen per annum
31	Power Alcohol	Gals Million	13	15	21	5	6 5	8	9	18	
	F TEXTILES										
3-	Cotton— (i) Yarn	Lbs Million	1 669	1 775	1 722	1 179	1 334	1,476	1 520	1 640	As on January 1 1954
	(ii) Cloth (mill-made)	Yds Million	4 744	4 922	4 779	3 718	4 134	4 770	4 906	4 700	
	(iii) Cloth (handloom)	Do				742	900	1 000	1 200	1 700	Production figures are estimated
33	Jute	Tons 000	1,200	1,200	1 200	892	931	910	864	1 200	
34	Rayon— ( ) Rayon Filament	Lbs Million.	4 0	11 2	22 0	0 75	6 6	8 7	10 2	22 0	
	(ii) Staple fibre	Bales '000		28 0	28 0				0 8	28 0	
35	Woollen Manufactures	Lbs '000	20 150	20,150	20 150	18 000	16 900	16 260	19 600	25 000	
	G TIMBER										
36	Match	Gross Boxes '000	35 300	35 300	38 300	29 100	9 300	32 000	29 300 /	35 300	/ Estimated
37	Plywood teachests	Sq ft Million	139	144	180 to 190	45	65	71	50	100	

1	2	3	4	5	6	7	8	9	10	11	12
	H FOOD										
38	Salt	Tons 000	N A	N A	N A	2 647	2 720	2 802	2 973	3 076	
39	Sugar	Tons 000	1 540	1 630	1 550	1 120	1 494	1 291	1 001*	1 500	Production figures relate to the crop year (Nov Oct) Provisional estimate
40	Vegetable Oils	Tons 000	N A	N A	N A.	1 195	1 198	1 154	1 398*	1 300	*Provisional estimate
41	Vanaspati	Tons 000	333	347	389	153	180	199	199	300	

N A —Not available

Appendix II (*Continued*)

SHORT REVIEWS OF INDIVIDUAL INDUSTRIES

(1) IRON AND STEEL

he Five Year Plan accorded high priority to the expansion of eel industry and laid down a target capacity of 1 650 000 tons el (as against 1 015 000 tons in 1950 51) to be attained by 1957 58 e three main producers through completion of their expansion ie The modernisation and expansion cheme of the Tata and Steel Company designed to increase capacity for finished from 750,000 tons to 931 000 tons progressed satisfac during 1951—54 when an investment of about Rs 4 50 lakhs (out otal capital expenditure of Rs 22 40 lakhs for the entire prog e) was made The Government of India has agreed to grant cial loan of Rs 10 crores to assist the completion of the prog e The capacity of the company for finished steel at present imated at 800 000 tons

The capacity of the Indian Iron and Steel Company for finished was increased by the installation of a sheet bar and billet mill now stands at 300 000 tons as against 225 000 tons at the com ement of the Plan As regards further expansion designed to capacity to 620 000 tons of steel and 500 000 tons of foundry pig per annum or alternatively 700 000 tons of finished steel and 0 tons of foundry pig iron per annum a loan of 31 5 million s was obtained from the International Bank and a special ce of Rs 10 crores from the Equalisation Fund and a loan of 9 crores (including Rs 5 crores sanctioned in 1949) were sanc d by the Government. No progress was made during the year y due to the unsatisfactory labour situation during the greater of 1953 The lack of progress in 1953-54 will inevitably entail back in the whole programme

According to the original programme of the Mysore Iron and Company, the capacity for steel was expected to be stepped up 40 000 tons to 100 000 tons of steel per annum The progress e scheme has been described in para 11 of the Chapter

The progress made on the establishment of a new steel plant e Public Sector is discussed in para 22 of the Chapter

The production of steel remained more or less static at the of about one million tons during the period under review It

would have been higher in 1953 54 if considerable loss of production had not occurred due to labour troubles at the works of the Indian Iron and Steel Company

6 To relieve shortage due to the wide gap that exists between the demand for steel and the supplies available from internal sources there have been quite substantial imports of steel amounting to about 177 000 tons in 1951 196 000 tons in 1952 and 247,000 tons in 1953 In addition the imports of steel during the years 1952-53 and 1953 54 under the T C A Programme amounted to 12 236 tons and 97 734 tons respectively

7 The Plan visualised that the availability of foundry grade pig iron would increase from 350 000 tons in 1950 51 to 750 000 tons by 1957 58 when the expansion schemes of the main producers were expected to be completed In fact the quantity of pig iron (foundry grade) available to the foundaries increased somewhat from 286 000 tons in 1951 to 366 000 tons in 1953

(2) ALUMINIUM

The annual installed capacity of the aluminium industry was estimated at 4 000 tons in 1950 51 the plant at Alwaye of the Indian Aluminium Company accounting for 2 500 tons and the plant at Jaykaynagar of the Aluminium Corporation of India for 1 500 tons The Five Year Plan envisaged an increase of capacity to 20 000 tons by the expansion of these two plants to 5 000 tons each and by the installation of a new unit at Hirakud with a capacity of 10 000 tons

2 The expansion scheme of the Indian Aluminium Company fell behind schedule owing to the delay in making available the necessary electric power However this expansion scheme has been completed in July 1954 The first stage of the expansion of the plant of the Aluminium Corporation from 1 500 tons to 2 000 tons which was delayed due to the late arrival of machinery has been completed in August 1954 The second stage of the expansion from 2 000 tons to 5 000 tons is held up for want of finance The designs for the new aluminium unit at Hirakud have been finalised but the implementation of the project has had to be slowed down to synchronise with the availability of power from the Hirakud project Since power is not expected to be available during the period of the Plan the new Aluminium smelter is not likely to go into production before April 1956

3 Owing to the delays mentioned above the installed capacity and the production of aluminium have remained more or less stationary at the level of the beginning of the Plan period It does not seem likely that the installed capacity for the production of Aluminium will be more than 7 000 tons by 1955-56

4 Protection has been extended to the aluminium industry upto the end of 1954

almost all branches of this industry the demand has not come expectations and capacity has been lying idle

Agricultural Implements—At present 61 factories engaged in manufacture of improved agricultural implements are registered the Ministry of Commerce and Industry as against 68 when the was drawn up The productive capacity of these units is about tons while actual production was estimated at about 18 000 1952 and 9 000 tons in 1953 In addition to these units there out 350 small units which are registered with the State Govern It was recommended in the Plan that the development of this of the industry should mainly aim at providing a steady for its products through the creation of extension services s now being done through the National Extension Service and unity Projects Administration

Power driven Pumps (Centrifugal)—During the first three of the Plan period the number of units increased from 8 to 24 he annual rated capacity from 33 460 to 60 200 pumps Recently ew units for the manufacture of pumps have been sanctioned will raise the capacity to 66 200 pumps by 1955 56 as against apacity target of 69 400 pumps set in the Plan

The actual production however fell steeply from about 35 900 s in 1951 52 to 25 140 in 1952-53 mainly due to heavy imports h were valued at Rs 102 9 lakhs in 1951 52 as compared with 7 2 lakhs in the preceding year In the last two years imports declined, being valued at about Rs 80 62 lakhs and Rs 66 lakhs ctively Corresponding with this fall in imports there has been ght revival of indigenous production which rose to 28 000 pumps 53 54

The total demand for pumps was estimated to expand to 85 000 955 56 but in view of the existing idle capacity it seems probable the estimate of demand was on the high side

A Development Council for power-driven pumps and diesel nes was set up in March 1953 under the Industries (Development Regulation) Act

Diesel Engines—While no specific target of capacity for diesel nes was set in the Plan 7 new units were expected to go into luction and thereby increase the total annual capacity from 11 325 nes in 1950 51 to 29 725 by 1955-56 A further additional capa ... considered desirable by 1955-56 Of the 7

new units expected to go into production two (with an annual capacity of 6 600 engines) have already gone into production, one has commenced experimental production with an estimated capacity of 600 as against 1 800 envisaged earlier, approval given to one new comer has been withdrawn and further action in respect of three schemes is under Government s consideration In addition to the seven above three new units have been sanctioned of which one for 1 000 engines has gone into production The other two are likely to do so shortly Further an expansion scheme of an existing unit for an additional capacity of 1 250 engines per annum was approved and a unit whose activities were not known previously (annual capacity 240 engines) has been included These developments are expected to raise the total annual capacity to 24,375 engines by 1955 56 leaving out of account the three schemes referred to earlier on which Government action is pending

8 The actual production of the industry however fell from 7,263 engines in 1951 52 to 2 909 in 1952 53 mainly due to the heavy imports of 72 367 engines in 1951 52 With the decline in imports from 17 614 engines in 1952 53 to 982 in 1953-54 the indigenous production rose to 5 244 in 1953 54

9 In the Plan the demand for diesel engines was roughly estimated to increase by 1955-56 to about 40 000 engines below 10 H.P and to about 20 000 engines of above 10 H.P A later re assessment has put the demand at between 30 000 to 35 000 engines upto 10 H.P and 18 000 engines of above 10 H.P by 1955-56

10 *Agricultural Tractors*—In October 1953 a licence was granted to Messrs Hindustan Motors Ltd Calcutta for the manufacture of 10 H P tractors at their factory at Uttarpara in West Bengal with an out turn of 1 000 tractors in the first year and an ultimate capacity of 4 000 to 5 000 per annum The demand for tractors was estimated to increase from 10 000 to 12 000—15 000 per annum by 1955-56 but, in the light of the imports during the last few years the estimate of future demand seems to have been on the high side

(4) AUTOMOBILES

In accordance with the Tariff Commission s Report (1953) the Government have decided to concentrate production of automobiles in only those firms which had a manufacturing programme The need for such a step was emphasised in the Plan in view of the limited size of the domestic market Government have also accepted with slight modifications the Tariff Commission s recommendations regarding the types of vehicles to be manufactured by different firms, the actual scale of manufacture of each model from year to year, programmes for the progressive manufacture of components during the next five years and the allocation of foreign exchange to be made to suit the approved scale of manufacture The types of vehicles to be manufactured by the different firms and the annual capacity of the

ufacturers as assessed by the Tariff Commission are shown w —

Firms	Annual capacity (Nos)	Types of vehicles
Hindustan Motors Ltd. Calcutta	18 000	A baby car a light car a big car and a medium truck (Morris Minor Hindustan 14 Studebaker car and truck.)
Premier Automobiles Ltd. Bombay	12 000	A baby car a big car and a medium truck (Fiat 1100 Dodge De soto/ Plymouth cars/ and Dodge/De soto/Fargo trucks)
Standard Motor Products of India d. Madras	2 950	A baby car and a medium car (Standard Eight and Standard Vanguard)
Ashok Motors Ltd. Madras	7 540	A heavy truck (Ley land 5 ton diesel truck)

The actual production of vehicles of all types by the first three s since the submission of the Tariff Commission s Report (April 3) is shown below

	1953 (Nos)	1954 (Nos)
First quarter		1,410
Second quarter	944	1 100
Third quarter	592	
Fourth quarter	858	

actual production of the whole industry comprising 12 manu turers and assemblers went down from 23 576 automobiles in 1951 to 13 294 in 1952-53 and 12 629 in 1953 54 mainly due to a fall demand

3 Besides the four recognised manufacturers mentioned above existing assemblers of Jeeps namely M/s Mahindra and hindra have been permitted to continue their assembly operations ently the firm s scheme for the manufacture of Willys jeeps in laboration with Messrs Willys Overland Export Corporation of U.S.A has also been approved

4 Two new schemes one for the manufacture of 3-ton diesel cks by Messrs Tata Engineering and Locomotive Co Ltd., in laboration with Messrs Daimler Benz A G of West Germany and other for the manufacture of motor cycles by Messrs Madras Motors l., in collaboration with Messrs Enfield Cycles Co Ltd of England ve recently been sanctioned by the Government

5 Government have set up an *Ad Hoc* Committee to deal portant problems of the automobile industry including

of taxation on road transport and incentives to secure the speedy development of manufacture and the general expansion of road transport services

6 There are at present 146 established manufacturers engaged in the manufacture of a variety of components accessories and materials for the automobile industry but these ancillary industries have not yet developed to any considerable extent The Tariff Commission emphasised the need for a planned growth of these industries Ancillary industries according to the Tariff Commission s Report have already been established for the manufacture of pistons and piston rings cylinder liners (dry) fan belts radiators propeller shafts bodies for automobiles seat bench assembly upholstery material, batteries electrical lamps and bulbs ball bearings tyres and tubes paints non genuine components and parts etc During the last two years manufacture of sparking plugs fuel injection equipment and electric horns has also been established while schemes for the manufacture of certain other components including shock absorbers wheels and rims spanners and brake lining and clutch facings are under implementation

(5) RAILWAY ROLLING STOCK

1 *Locomotives*—Locomotives are being manufactured at the Chittaranjan Locomotive Works and the Tata Locomotive and Engineering Company (TELCO) the progress of the former is discussed in para 6 of the Chapter

2 The production of locomotives at the TELCO Works increased from 10 locomotives in 1951 52 to 30 in 1952 53 but went down to 2? in 1953-54 It is now planned to step up production to 4 locomotives per month as against the target of 50 locomotives per annum in 1954-55 on a single shift basis

3 *Wagons*—In accordance with the recommendations in the Plan the Indian wagon manufacturers have made good progress towards fuller utilisation of their existing capacity There are still four regular manufacturers of wagons with an annual rated capacity of 6 000 wagons while another four firms excluding the Punjab Government Workshop at Amritsar are trying their hands on educational orders The actual production of wagons has increased from 3 707 wagons in 1951 52 to 6 463 in 1952 53 and 6 892 in 1953-54 as against a production target of 30 000 wagons during the whole plan period 1951—56 Owing to the increased off take during the period under review some of the established manufacturers have plans to expand their production while a few new manufacturers are also expected to come into the field and consequently the average annual output is expected to increase to about 10 000 in the near future and further to 12 000 wagons by the end of 1955-56

4. *Passenger Coaches*.—The progress of the Integral Coach Factory at Perambur is discussed in para 7 of the Chapter.

5. The manufacture of passenger coaches falls largely within the public sector since the combined annual capacity of the Railway Workshops and Hindustan Aircraft Ltd., is 600 coaches while the combined capacity of the two firms in the private sector is 250 coaches. The output of the two firms in the private sector has increased from 131 coaches in 1951-52 to 169 (including 1.3 motor and parcel vans) in 1952-53 and 182 coaches in 1953-54. The expansion plans of Hindustan Aircraft Ltd., to increase their capacity from 100 to 180 coaches a year are making satisfactory progress which is evident from the fact that their output has increased from 129 coaches in 1952-53 to 134 in 1953-54.

(6) MACHINE TOOLS

The progress of the State project for machine tools is discussed in para. 15 of the Chapter.

2. In accordance with the recommendations in the Plan, there has been no increase in the capacity of the manufacturers of graded machine tools in the private sector. There are still 14 of them with a combined rated capacity estimated at 3,000 machine tools per annum, valued at about Rs. 90 lakhs. The actual production has remained more or less stationary and was valued at about Rs. 45.2 lakhs in 1951-52, Rs. 43.5 lakhs in 1952-53 and Rs. 44.9 lakhs in 1953-54. Though imports have fallen, they still continue on a fairly heavy scale and were valued at Rs. 199.3 lakhs in 1953-54, compared with Rs. 265.3 lakhs in 1950-51.

3. The industry has made good progress in the production of new and better types of machine tools, especially geared-head ... by bench and pillar type drills and milling machines ... certain manufacturers.

(7) COTTON TEXTILE MACHINERY

The principal items of cotton textile machinery ... this country are carding engines, spinning ring frames and ...

2. *Carding Engines*.—The target of capacity as well ... se in the Plan was 600 engines. The only unit ...

carding engines went into production in May, 1951 and has a capacity of 600 engines per annum The actual production of this factory however, is lagging far behind the target Due to accumulation of stock and financial difficulties it fell from 158 engines in 1951 52 to 57 in 1952-53 but in 1953 54 it rose again to 272 engines. The firm exported 27 carding engines to China and Pakistan in 1952 53

3 *Spinning Ring Frames*—The total annual rated capacity of the two existing units is 396 pieces per annum and a new unit with an additional capacity of 300 spinning ring frames is expected to come into production at an early date Besides a scheme of a firm at Bombay has recently been approved which will increase the total capacity to 996 ring frames as against the target of 800 pieces set in the Plan

4 The actual production on the other hand has declined and falls far short of the existing capacity It fell from 291 pieces in 1951 52 to 255 in 1952 53 and 197 in 1953-54 This steady fall in production is to some extent due to a general prejudice against the products of the indigenous industry The production target set in the Plan is 700 frames

5 *Looms*—The present capacity of the three existing units as assessed by the Development Wing of the Ministry of Commerce and Industry is 4 320 looms per annum which falls short of the target of capacity set in the Plan by 3 680 looms No schemes have yet been sanctioned for additional capacity The production fell from 2 166 looms in 1951 52 to 1 527 in 1952-53 and 1 340 in 1953-54 due to the general policy of not allowing any expansion of the weaving section of the cotton textiles industry and also to the closure of one of the units upto he middle of 1952 The target of production proposed in the Plan for 1955 56 is 6 000 looms

6 Protection to the cotton textiles machinery industry ha been extended up to the end of 1954

(8) Ball Bearings

No increase in capacity was envisaged in the first 2 3 years of the Plan but the one unit engaged in the manufacture of ball bearings Messrs National Bearings Co Ltd Jaipur has been steadily increasing its production It has an annual rated capacity of 600 000 ball

of the Plan period the value of the imported components required by manufacturers of complete bicycles will not on an average exceed Rs 7 to 8 per bicycle

4 Protection has been extended to the bicycle industry upto the end of 1956

(10) SEWING MACHINES

The capacity of the two units manufacturing sewing machines, *viz* M/s Jay Engineering Works Ltd and M/s K C Mullick & Sons increased from 37 500 machines in 1950 51 to 41 500 in 1953-54 as a result of the expansion of the first named firm. It was recommended in the Plan that the setting up of a new unit should not be considered until 1954

2 Production of sewing machines has risen steadily every year from 32 965 in 1950 51 to 68 417 in 1953 54 the target for 1955-56 being 91 500 machines An export market has also been established Over 8 000 machines were exported during 1952 and during 1953-54 exports have risen to 11 023 machines valued at Rs 18 8 lakhs The target set in the Plan for 1955 56 is 11 500 machines

3 Manufacture of industrial sewing machines was started for the first time in the country in May 1952 by M/s Jay Engineering Works A licence has been granted to M/s Laxmi Narain & Co Jodhpur for the establishment of a new unit at Andheri Bombay for the manufacture of both industrial and domestic sewing machines in collaboration with a Japanese Firm M/s Jay Engineering Works also expect to expand their capacity to 90 000 machines per year and as a result of these developments the total capacity of the indigenous industry may expand to about 115 500 by 1955 56 as against 91 500 envisaged in the Plan

4 Protection has been granted to the sewing machine industry upto the end of *1954*

(11) HURRICANE LANTERNS

There are at present 13 units manufacturing hurricane lanterns with a capacity of 4 58 million lanterns per year as against 10 units with a capacity of 4 3 million lanterns in 1950-51 The Planning Commission had expressed the view that a capacity of 4 5 million would be sufficient by 1955-56

2 Production of hurricane lanterns increased from 3 2 million lanterns in 1950 51 to 4 55 million in 1953-54 The target set for 1955-56 is 6 million lanterns of which about 1 million were expected to be exported

3 Exports of hurricane lanterns have been as follows during the last four years —

Year	Export (Nos)
1950	15 036
1951	14 136
1952	108,-64
1953	449 734

4 The quality of indigenous production has considerably improved in recent years due to the availability of the right type of raw materials for the industry

5 Protection has been granted to the industry upto the end of 1954.

(12) Grinding Wheels

The annual rated capacity of the one unit manufacturing grinding wheels viz M/s Grindwell Abrasives Limited was estimated at 360 tons in 1950-51 and has since increased to 535 tons as a result of an expansion completed by the end of 1952 It was thought that the total capacity would be raised to 840 tons by 1955-56 through the establishment of a new unit but no steps have been taken on it so far An additional capacity for 300 tons of grinding wheels per annum is however expected to be developed by M/s Ajax Products

2 Production of grinding wheels increased from 231 tons in 1950-51 to 395 tons in 1953-54 as against a target of 750-800 tons by 1955-56 Imports decreased from 209 tons valued at Rs 7 3 lakhs in 1950-51 to ... tons valued at Rs 3 5 lakhs in 1953-54 (11 months)

3 Protection to the grinding wheels industry has been extended upto December 31 1954

(13) Dry Batteries

The capacity of the four units manufacturing dry cells was estimated by the Tariff Board (1950) at 285 million cells per year but the capacity was assessed again in 1952 by the Development Wing of the Ministry of Commerce and Industry at 196 5 million cells per year The present capacity of the industry according to the Development Wing is 221 5 million dry cells per year The increase in capacity from 196 5 million in 1952 to 221 5 million in 1953-54 is due to the installation of a new unit at Madras by M/s National Carbon Co with a capacity of 25 million cells per year This new unit went into production in January 1953 The Planning Commission envisaged a capacity of 310 million cells per year by 1955-56

2 Production of dry batteries which stood at 136 5 million in 1950 51, has fluctuated as follows in the past three years —

1951 52	146 million.
1952 53	125 million.
1953 54	153 million.

The target set for 1955 56 is 320 million out of which 20 million were expected to be exported An export market has been established. The exports of dry batteries during the three years 1950 52 have been as follows —

Year	Quantity (Nos)	Value (Rs. lakhs)
1950	85 193	0 20
1951	1,445 673	2 58
1952	1 114 966	2 9

3 Attempts are being made to depend more and more on indigenous raw materials M/s Solar Batteries have plans to manufacture manganese dioxide from the indigenous ore and they have started the manufacture of sealing compound with local raw materials Some work has been done at the National Physical Laboratory on the manufacture of carbon electrodes and it is proposed to manufacture these rods on a pilot plant scale

4 Protection to the dry battery industry which was originally granted in April 1948 has been withdrawn since January, 1954

(14) Storage Batteries

Apart from a large number of assemblers there were 13 regular manufacturers of storage batteries with an annual rated capacity of 445 820 batteries in 1950 51 Five new units which were under construction at the beginning of the Plan period went into production in 1951 increasing the annual capacity of the industry by another 89 000 batteries Since the installed capacity was adequate to meet the anticipated demand of 400 000 batteries by 1955 56 it was not considered necessary to establish any more new units during the period of the Plan There has actually been no increase in capacity since 1951

2 The Plan visualised the production of storage batteries to go up from 200 000 in 1950 51 to 400 000 by 1955 56 (350 000 for internal consumption and 50 000 for exports) The actual production however declined sharply to 136 000 in 1952-53 from 212 000 in 1951 52 but improved somewhat to 179 000 in 1953 54 The sudden fall in output during 1952 53 is attributed to the set back in the automobile industry

3 The industry on the other hand made considerable progress in the direction of diversifying products and in achieving a greater degree of self sufficiency with regard to raw materials Special varieties of batteries like aircraft batteries are increasingly being manufactured by the indigenous industry and railway requirements are also being met from indigenous production Schemes of two units for the manufacture of dry charged batteries iron clad batteries heavy duty and traction batteries have been approved The manufacture of refined lead and microporous rubber separators are also being undertaken by some units

4 Imports of storage batteries are restricted to certain special types The average value of batteries (and their parts) imported during the period 1951 54 has been of the order of Rs 27 6 lakhs per annum

5 There are no restrictions on the export of storage batteries Accu ate figures of exports are not available but they are not likely to exceed a few thou ands

6 On the basis of an enquiry undertaken by the Tariff Commission in 1952 protection to the Motor Vehicle Battery industry has been extended upto the end of 1955

(15) Electric Cables and Wires

The major schemes envisaged under the Plan in the field of electric cables and wires manufacture are (i) the Dry Core Cable Factory in the public sector for producing different kinds of communication cables progress of which has been described in para 14 of the Chapter (ii) expansion of Indian Cable Company to increase the capacity and output of two items already under production and to develop production of four new it ms at an estimated cost of Rs 2 8 crores (iii) expansion of capacity for A C S R Cables from 2 500 tons to 5 000 tons per annum and (iv) creation of production facilities for 500 tons of insulated aluminium conductors per annum.

2 The Government Dry Core Cable Factory which went into production in July 1954 is expected to turn out 200 miles length of cables in 1954 55 as against its target capacity of 470 miles length of cables by 1955 56 As a result of the expansion programme implemented so far by the Indian Cable Company a new rod mill with an annual installed capacity of 6 700 tons of black copper and aluminium rods went into production in early 1953 and additional capacity for about 100 tons of cotton and paper covered wires and for 3 million yards of plastic insulated cables and flexibles per annum has been established Work on installation of plant for the production of other items is in progress.

3 As regards A C S R Cables expansion of capacity is expected be of the order of 13 000/14 000 tons per annum on the basis of th schemes approved by Government so far which is substantially excess of the target under the Plan The capacity in 1953-54 wa assessed at 6 620 tons as against 2 500 tons in 1950 51

4 Actual production of conductors cables and wires since 1950-5 has been as under —

Year	Bare copper conductors (tons)	Winding wires (tons)	Rubber insulated cables & flexibles (Million yards)	A.C S.R.* cables.
1950-51	4 963	254	39 3	1,4.0
1951 52	2 852	358	41 3	1 720
1952 53	7 522	383	36 2	2,381
1953 54	6 293	156	48 6	3,280

*Figures relate to calendar years

(16) Electric Fans

The capacity of the 22 units manufacturing electric fans on the active list of the Development Wing of the Ministry of Commerce and Industry was assessed at 288 000 fans per year in 1950-51 Some of the units have since been removed from the active list but the capacity of the present 18 units is 303 000 fans per year The Planning Commission envisaged an annual rated capacity of 360 000 by 1955 56 as a result of the factory of M/s Matchwel Electricals (I) Ltd at Poona going into production but the current installed capacity of the new factory is assessed at only 12 000 fans per annum as against 60 000 assumed by the Planning Commission It is expected that the capacity will be increased in due course Schemes of expansion put forward by M/s Jay Engineering Works and M/s Jaura Engineering Works to increase their capacities from 22 000 to 120 000 and from 1 200 to 2 400 fans per year respectively have been approved by Government As a result of these developments the installed capacity of the industry is expected to go upto 451 400 fans per year

2 The number of fans produced in 1953 54 was 206 000 compared with 194 100 in 1950 51 and a targe of 320 000 to 350 000 by 1955-56

3 Exports of fans during 1952 53 were 3 655 valued at Rs 4 9 lakhs Figures for 1953 54 are not yet available but M/s Jay Engineering Works claim to have exported 12 000 fans during the calendar year 1953 and expect to increase their exports still further i 1954 The target set for exports in the Plan is 30 000 by 1955-56

(17) ELECTRIC LAMPS

There are at present 11 units manufacturing general lighting service lamps with a capacity of 29 million lamps per year as against 10 units with a capacity of 23 million lamps in 1950-51 The Planning Commission envisaged a capacity of 32 5 million lamps per year by 1952-53 The increase in capacity that has so far taken place is due to a new unit *viz* M/s Osler Electric Lamp Manufacturing Company going into production with a capacity of 3 million lamps per year and to the expansion of the capacity of M/s Hind Lamps Ltd. from 3 million to 6 million lamps

2 Production of electric lamps increased from 14 million in 1950-51 to 19 8 million in 1953 54 The target set in the Plan for general lighting service lamps is 30 million by 1955-56

3 Progress has been made in the manufacture of lamps other than of the general lighting service type Train lighting and some quantities of coloured lamps for decorating purposes are being produced The manufacture of fluorescent tubes has also been taken up Production of miniature lamps such as torch bulbs radio dial lamps cycle dynamo lamps auto bulbs telephone switch board lamps etc has also commenced during the last 2½ years Manufacture of components such as brasslamp caps for general service lighting type of lamps has been started Glass shell production is being expanded to meet the entire requirements of the lamp industry

(18) ELECTRIC MOTORS

There are at present 12 units manufacturing electric motors on the active list of the Development Wing of the Ministry of Commerce and Industry with a capacity of 200 000 H P per annum as against 10 units with a capacity of 149 500 H P in 1950-51 Additional capacity of about 50 000 H.P to 75 000 H P per annum will be obtained when the expansion schemes of three existing units under implementation are completed Besides the above a new unit namely M/s Calcutta Electric Manufacturing Co Ltd went into production in last quarter of 1953 The firm will have a capacity of 20 000 H.P per year when in full production Two schemes for new units and one fresh scheme of expansion which will increase capacity by 85,200 H P per year have been approved by Government As a result of these developments the total capacity of the industry is expected to be about 355 000 to 380 000 H P by 1955 56 as against the Planning Commission s estimate of 300 000

2 Production of electric motors increased from 99 000 H.P in 1950 51 to 161 000 H P in 1953 54 The target set in the Plan is 320 000 H P by 1955 56 A C 3 phase induction motors upto 225 H P are now being produced in the country

3 Protection to electric motor industry which was first granted in September 1948 has been extended upto the end of 1954

(19) Electric Transformers

The annual capacity of the seven units in existence in 1951 which was taken at 370 000 KVA in the Programme for Electric Transformers Industry on the basis of the assessment of the Tariff Commission was placed at 304 000 KVA in 1952 by the Development Wing of the Ministry of Commerce and Industry The capacity increased to 328 000 KVA with the commencement of production of transformers by the General Electric Company of India in 1953 and there has been no change since then Six schemes for transformers including that of Kirloskar Electric Co Ltd mention of which was made in the Programmes of Industrial Development which will add 279 000 KVA to the total annual capacity have been approved by the Government Besides M/s Radio Electricals Ltd Madras and the Government Electric Factory Bangalore have programmes of expansion for an additional capacity to the extent of approximately 70 000 KVA These developments will it is envisaged raise the total capacity of the industry to 677 000 KVA per year as against the estimate of 485 000 KVA by 1955 56 under the Plan

2 Production of transformers has steadily increased from 1,8 900 KVA in 1950 51 to 327 300 in 1953 54 The target set in the Plan is 450 000 KVA by 1955 56 Though the maximum rating of transformers so far produced is 2 000 KVA/33 KV some of the approved schemes envisage going upto 10 000 KVA when in full production

3 Imports of transformers were valued at Rs 154 lakhs in 1950-51 Rs 178 lakhs in 1951 52 Rs 144 lakhs in 1952-53 and at Rs 194 lakhs in 1953 54

4 Protection to electric transformers industry has been granted upto the end of 1955

(20) Radio Receivers

There are at present 15 units assembling radio sets with a capacity of 153 000 sets per year as against 11 units with a capacity of 77 200 in 1950 51 The Planning Commission envisaged the annual rated capacity at 380 000 sets by 1955-56

2 There has been no notable increase in production It was thought that by 1955 56 this might rise to 350 000 sets against 49 053 in 1950-51 but in the last three years production has only been 87 ,00 68 900 and 57 800 respectively It is expected however that the demand for radio sets will expand as soon as the new medium wave transmitting stations are completed

3 Some progress has been made since 1951 in the actual manu fac ure within the country of radio components such as loud speakers potentiometers I F transformers wavelength band change switches anl plastic moulded cabinets

(21) Fertilizers

Nitrogenous Fertilizers

The major development in the field of nitrogenous fertilizers has been the commencement of production o ammonium sulphate at the Sindri Fertilizer Factory since November 1951 The production of this factory increased from 34 800 tons in 1951 52 to 249 000 tons in 1953-54 Further developments at the factory in connection with the establishment of a coke oven battery and utilisation of by product coke-oven gases to expand the output of ammonia for the pro duction of alternative fertilizers have been described in detail in paras 8 to 10 of the chapter

2 As regards developments at the fertilizer factorie in the pri vate sector the scheme for the manufacture of ammonium chloride by F A C T Ltd is under implementation as explained in the note on Heavy Chemicals As regards the scheme of Mysore Chemicals and Fertilizers for doubling their output of ammonium sulphate the erection of the ammonia compressor and circulator was completed in 1953-54 and the Company approached the Industrial Finance Cor poration for a loan for completing the scheme

3 The total production of ammonium sulphate which came to 95 000 tons in 1951 52 rose to 252 000 tons in 1952 53 and 307 000 tons in 1953 54 and imports in the corresponding years were 67 380 tons 19 948 tons and 69 525 tons respectively

Phosphatic Fertilizers

4 Superphosphate continues to be the only phosphatic fertilizer produced in bulk so far Owing to marketing difficulties consequent on the abolition of the Superphosphate Pool in August 1952 produc tion which amounted to 57 000 tons in 1951 52 declined to 50 000 tons in 1952 53 The downward trend in production was reversed early in 1954 and production was running at the rate of 8 000 ton in the first half of this year Between the present capacity which stands at 211 000 tons (2 000 tons higher than the target for 1955-56) and actual production there is a wide gap indicating that a large in crea e in output can be achieved by fuller utilisation of the existing plants

(22) HEAVY CHEMICALS

Sulphuric Acid

The increase in capacity for sulphuric acid production achieved in 1951 54 was due to the installation of 9 new contact sulphuric acid plants of which 8 went into production during 1951 52 The net increase in annual installed capacity amounted to about 47,000 tons in terms of 100 per cent acid as against 70 000 tons of additional capacity envisaged for the five year period Of the plants whose installation was envisaged under the Plan no progress has been made on that of the Raja of Venkatagiri (gypsum sulphuric acid plant) The construction of the plant attached to the Bihar Government Superphosphate Factory has fallen much behind schedule and is now expected to be completed during 1955 Additional capacity of the order of 90 000 tons has been sanctioned up to the end of June 1954

2 The production of sulphuric acid declined from 129 000 tons in the first year of the Plan period to 96 000 tons in 1952-53 but rose again to 120 000 tons in the following year As regards consumption, the increase has been estimated at about 11 000 tons during 1952 over 1951 and at about 2 000 tons during 1953 over the previous year The availability of sulphur showed considerable improvement in 1953-54

3 The Plan recommended the conversion of some of the existing plants for operation on pyrites and the utilisation of gypsum for producing sulphuric acid/sulphur No progress has been made on the recommendations so far mainly because there has been no adequate data regarding the reserves of pyrites at the various deposits in the country As regards the utilisation of by product sulphurous gas of the Indian Copper Corporation a project report was prepared by the Company but the scheme could not be taken up mainly owing to difficulties in arranging an outlet for the acid that would be produced

Soda Ash

4 The Plan visualised expansion of capacity for soda ash manufacture by 32 000 tons through the implementation of the expansion schemes of the existing producers Considerable progress has been made on the project of the Tata Chemicals and by the end of 1953 a daily output capacity of 120 tons has been achieved as against 80 tons per day in 1951 On the completion of the expansion scheme expected by the end of 1954 *the plant will attain a daily output of* 150 tons of soda ash The expansion scheme of the Dhrangadhra Chemical Company which is being assisted by the Industrial Finance Corporation is designed to increase the daily production capacity from 60 to 100 tons and the number of working days to 360 as against 300 now It is expected to be completed in early 1955

5 The production of soda ash increased to 56 000 tons in 1953 54 as against 47 000 tons per annum in 1951 53 The import policy and the high prices since 1951 gave an impetus to this nascent industry Actual imports of soda ash in 1953-54 were 40 638 tons as against 85 315 tons in 1951 52 and 81 581 tons in 1952-53

6 The Plan recommended a survey of possible locations for the establishment of additional capacity for soda ash production Towards the end of 1953-54 an Indian technologist conversant with the soda ash industry was entrusted with this work and the survey report is expected to be available before October 1954 The claim of the soda ash industry for protection as well as the lines of its future expansion are under examination by the Tariff Commission

Caustic Soda

7 On the basis of the schemes under implementation and projected at the beginning of 1951 the Plan envisaged the expansion of annual installed capacity for caustic soda from 18 725 to 37 125 tons and of production from 11 300 to 33 000 tons By the end of 1953-54 all the expansion schemes and new units mentioned in the Programmes of Industrial Development had been practically completed and the installed capacity for electrolytic caustic soda, including that of the plants attached to paper mills which was not taken into account earlier stood at 38 000 tons Under the influence of high prices obtaining since 1952 considerable interest was shown in further expansion of caustic soda industry and schemes for about 19 000 tons of additional capacity were approved upto June 1954 Two of the approved schemes have linked up the production of caustic soda with sodium hydrosulphite by one of the latest processes

8 Though the production of caustic soda was affected by power cut in South India it maintained an upward trend rising from 11 000 tons in 1950-51 to 15 000 tons in 1951 52 17 000 tons in 1952-53 and 25 000 tons in 1953 54 Even on the basis of the output in 1953-54 there is considerable scope for increasing production by fuller utilisation of existing capacity Imports declined from 62 750 tons in 1951 52 to 25 540 tons in 1952 53 and 49 360 tons in 1953 54

Miscellaneous Chemicals

9 The production of alum aluminium sulphate zinc chloride magnesium chloride and potassium chlorate recorded increase during the period whereas the production of bichromates showed a decline A new upto date plant for the manufacture of 30 tons of aluminium sulphate per day was set up by the Bengal Chemical and Pharmaceutical Works A new unit for calcium carbide (3 000 tons per annum) and another for ammonium chloride (8 000 tons per annum) are expected to go into production in 1954-55 Major

industrial schemes recommended for approval by the Licensing Committee relate to production of industrial explosives (5 000 tons per annum), Sodium hydrosulphite (2 300 tons per annum) and hydrogen peroxide (1 440 tons per annum)

(23) DRUGS AND PHARMACEUTICALS

The major developments in the industry during the last three years have been the establishment of production facilities for the following new synthetic drugs

(i) Sulpha thiozole sulpha diazine and sulpha pyridine starting from their respective acetyl compounds capacity in 1953 54 740 000 lbs as against 400 000 lbs envisaged under the Plan

(ii) Isonicotinyl hydrazide the latest antitubercular drug

(iii) Aureomycin starting from the crude drug

(iv) Nikethamide

In addition six firms have installed facilities for bottling antibiotics imported in bulk from abroad and the Alkali and Chemical Corporation of India have gone into the production of the insecticide benzene hexachloride (BHC) with an annual installed capacity for 500 tons

2 Some important projects expected to go into production in 1954 55 are the production of chloramphenical by Parke-Davis (India) and D D T and penicillin by the Government factories under construction the progress on which is behind schedule Major new schemes recommended for approval by the Licensing Committee relate to production of B H C and Lindane Penicillin Streptomycin Yeast and synthetic drugs with anti dysentric and cardiac stimulant properties

3 The production of tinctures and galenicals declined from 7 12 000 gallons in 1951 to 6 32 000 gallons in 1953 There has been a similar fall in regard to liver extract and nikethamide On the other hand the production of sulpha drugs B H C Shark liver oil and calcium lactate showed the following increases

	Unit	1951	1952	1953
Sulpha drugs	000 lbs		70	77
B H. C.	tons		66	130
Calcium lactate	000 lbs	90	59	70
Shark liver oil	gallons	9 123	19 857	11 573

The production of bottled penicillin came to 33 7 million vials and of aureomycin to 537 kg during 1953

4. An enquiry into the pharmaceutical industry and trade with a view to deciding upon the future lines of development was initiated by Government in 1953 The Pharmaceutical Enquiry Committee which was entrusted with this enquiry submitted its report in May 1954

(24) Paints and Varnishes

Though the emphasis was on fuller utilisation of existing capacity in the paints and varnishes industry the Plan envisaged expansion of annual capacity by 5 000 tons in regard to ready mixed paints and establishment of new capacity of 350 000 gallons for nitrocellulose lacquers 1 800 tons for titanium dioxide pigment and 750 tons for aluminium paste and powder The schemes on the basis of which additional capacity was visualised and which are described in the Programmes of Industrial Development 1951—56 have all been implemented In fact the production of nitrocellulose lacquers was also developed by some of the existing factories as a programme of diversification of manufacturing activities with the result that the capacity now in existence is higher than what was visualised under the Plan.

2 The increase in the actual production of ready mixed paints has been very small (between 3 000 to 4 000 tons per annum) as against slightly more than 100 per cent expansion envisaged by 1955-56 the target being 60 000 tons in 1955-56 as compared to 29 000 tons in 1950 51 The production of nitrocellulose lacquers rose from 92 000 gallons in 1951-52 to 145 000 gallons in 1952-53 and 200 000 gallons in the following year which is short of the production target for 1955 56 by 100 000 gallons As regards titanium dioxide the new factory which went into production in 1951 had to be closed during 1953 since production became uneconomic due to the small demand for the pigment within the country In the case of aluminium paste production expanded from 13 tons in 1951 52 to 296 tons in 1952 53 but received a setback in the following year due to competition from imports Under the influence of orders for 1 200 tons of titanium dioxide from the U K during 1954 and the ban placed on imports of aluminium paste a recovery in both these sectors is expected in 1954

3 The production of zinc and lead pigments—zinc oxide white lead red lead and litharge—showed a decline after 1951 due to the scarcity of non ferrous metals in international markets

4 But for the spurt in exports valued at Rs 64 3 lakhs in 1951-52 the despatches of paints and varnishes to foreign countries varied

only slightly from the 1950 51 level of Rs 17 3 lakhs Exports were of the order of Rs 27 7 lakhs in 1952 53 and Rs 21 9 lakhs in 1953-54.

5 Protection has been granted to the titanium dioxide industry upto the end of 1954

(25) SOAP

In 1951 the capacity of the soap industry was estimated at 265 000 tons per annum including 73 000 tons estimated as the capacity of cottage scale units In 1954 this had increased to 282 000 tons as a result of improvement in production technique in the factories of Messrs Lever Brothers (India) Ltd The Planning Commission had not envisaged the expansion of capacity beyond about 280 000 tons per annum As a matter of fact a large part of the existing capacity is idle and some of the schemes for new units which were contemplated at the beginning of the Plan period have since been abandoned Further expansion in the organised sector of the industry has not been permitted so far

2 Production by the organized factories has been as follows

Year	Tons 000
1951 52	86
1952 53	85
1953 54	76

In addition cottage units are estimated to produce about 80 000 tons annually

3 The plan envisaged the export of about 10 000 tons of soap per annum by 1955-56 It seems unlikely that this will be achieved Exports for the last four years have been as follows

Year	Tons
1950 51	280
1951 52	1 580
1952-53	1 300
1953 54	570

(26) TANNING AND FOOTWEAR

No addition to the capacity of the organised leather tanning and footwear industry was envisaged in the Plan and in fact no significant change has taken place upto December 1953

2 There has been a slight fall of production in the organised sector of the tanning industry which amounted to 2 065 million hides in 1953 54 against 2 128 million hides in 1950-51 The production of footwear has however increased from 5 195 million pairs in 1950 51 to 5 673 million pairs in 1953 54 The industry has failed to utilise a substantial part of its capacity for tanning mainly due to shortage of hides in the country

3 The export trade in hides and skins tanned or dressed which is important as a foreign exchange earner dwindled in the first two years of the period of the Plan but exceeded the 1950-51 level in 1953-54 As regards exports of footwear which had been visualised at between 0 5 and 1 0 million pairs during the period of the Plan the target has already been exceeded The export figures are given below

	1950-51	1951 52	1952 53	1953 54
1 Hides & skins tanned or dressed (tons)	24 500	22 900	23,400	6 500
Leather footwear (million pairs)	0 54	1 43	1 70	1 63

(27) Paper and Paper Board

The annual installed capacity of the paper and paper board industry expanded from about 137 000 tons in March 1951 to 174 000 tons by the end of 1953 54 as against a target of 211 000 tons to be achieved by 1955-56 The increase in capacity is due to the installation of two new mills (Cauvery Paper Mills and Ballarpur Paper and Straw Board Mills) and the expansion of five of the existing units By June 1954 all the programmes envisaged under the Plan had been licensed and in addition permission had been granted for certain new schemes also When all these schemes are completed the annual installed capacity of the industry is expected to increase to 281 560 tons per annum by 1956

2 As against a production target of 200 000 tons to be achieved by 1955 56 the overall production of paper and paper board increased from 114 000 tons in 1950 51 to 137 000 tons in 1952-53 and 137 500 tons in 1953 54 The production in 1953 54 was affected adversely by a labour strike in Titaghur Paper Mills The increase in production during the period under review was achieved mainly in the paper section and the production of paper board remained more or less unchanged

3 During 1953 54 M/s Travancore Rayons Ltd were given a licence to manufacture heat sealing and moisture proof varieties of transparent paper which have not hitherto been produced in the country

4 For the section of the paper industry manufacturing straw boards and other boards the Plan visualised an expansion of installed capacity from 48 500 tons in 1950 51 to 58 500 tons by 1955-56 and that of production from 22 000 tons in 1950-51 to 53 000 tons by 1955-56 A recent assessment placed the capacity of the industry at the end of 1953 at 59,380 tons per annum Production during the years 1951 1952 and 1953 remained more or less stationary at the level of 27 000 to 28 000 tons due to slackness of demand in consuming industries such as the hosiery and footwear industries.

5 Imports of paper including newsprint and paper board increased slightly from about 90 000 tons in 1951 52 to 127 000 tons in 1953 54 The bulk of the increase is accounted for by an increase in imports of newsprint from 50 000 tons in 1951 52 to 70 000 tons in 1953 54.

6 There has been an increase in the export of paper from 1 13(tons in 1951 52 to 1 507 tons in 1952 53 and 2 234 tons in 1953-54 No target for export of paper was fixed in the Plan

(28) CEMENT

During 1951 54 three new cement plants went into production and the expansion and modernisation programmes of seven of the existing factories were completed with the result that the total annual capacity rose to about 4 25 million tons by the end of 1953-54 as against 3 28 million tons in 1950 51 Two more new units are in an advanced stage of construction and are expected to go into production in 1954-55 Including these two units the number of cement factories is now 26 as compared with 21 at the beginning of the Plan Schemes for four more new units and for expansion of 12 more existing factories which have been approved by Government are in varying stages of implementation and are expected to be completed by 1955-56 These will raise the annual capacity of the cement industry to 6 6 million tons as against the target of 5 3 million tons laid down in the Plan

2 Actual production of cement has risen steadily every year from 2 69 million tons in 1950 51 to 4 02 million tons in 1953 54 The target set in the Plan for 1955 56 is 4 8 million tons

3 The Plan envisaged exports of 200 000 tons to 300 000 tons per annum by 1955-56 The exports of cement in the last three years have been as follows

Year	*Exports (Tons)*
1951 52	67 758
1952 53	57 442
1953 54	86 000

4 The question of the revision of cement price was recently examined by the Tariff Commission The Government after due consideration of the report of the Tariff Commission have fixed Rs 67/ per ton f o r destination as the standard ceiling price of cement They have also allowed a further sum of Rs 2/ per ton which the companies are required to hold in a separate fund for being used with the consent of Government exclusively for rehabilitation and expansion purposes

(29) GLASS

The annual rated capacity of the glass industry (excluding bangles in regard to which there has been no significant change) has increased from 2 13 300 tons in 1950 51 to 2 31 200 tons in 1953 54 but the actual production has dropped from 91 950 tons to 88 830 tons during the same period In the case of sheet glass however where substantial expansion was envisaged in the Plan the capacity and production have both gone up from 11 700 tons and 5 850 tons respectively in 1950-51 to 41,760 tons and 11 250 tons in 1953 54

2 During 1951 54 9 schemes which were under implementation at the commencement of the Plan period have been completed and thereby about 53 000 tons have been added to the capacity of the industry However a recent re-assessment of the capacity shows a net gain of only about 18 000 tons 13 schemes which were under implementation at the end of 1953-54 will on completion step up the capacity of the industry to about 2 75 000 tons

3 Exports of glass and glassware have improved since 1950 51 their value having amounted to Rs 15 0 lakhs Rs 21 4 lakhs Rs 24 2 lakhs and Rs 21 6 lakhs in 1950 51 1951 52 1952 53 and 1953 54 respectively

4 Having regard to the present trend of demand for glassware it seems unlikely that the production target of 168 500 tons scheduled for attainment in 1955 56 will be realised However the capacity target of 2 90 000 tons per annum may be very nearly attained

5 Protection has been extended to the sheet glass industry upto the end of 1954

(30) PETROLEUM REFINING

The commencement of manufacturing operations by the petroleum refineries of the Standard Vaccum Oil Company and Burmah Shell with a combined annual capacity for treating 3 2 *million* tons of crude petroleum was one of the major developments envisaged under the Plan It was further anticipated in 1951 that work on one more refinery involving an investment of Rs 20 0 crores during the Plan period would also be taken up *According* to the agreements entered into by the Caltex Company with the Government the third refinery will have an annual refining capacity for 0 5 million tons of petroleum crude and cost about Rs 7 0 crores Work on this project is expected to begin in 1955 The investment on the petroleum refineries is now expected to be about Rs 50 0 crores as against Rs 64 0 crores envisaged earlier

2 Good progress has been made with the setting up of the oil refineries of the Standard Vaccum Oil *Company* and Burmah Shell at Trombay and an investment of about Rs 17 0 crores was incurred

on them during 1951 54 Nearly Rs 10 0 crores out of this investment was in respect of imports of plants and machinery in 1953-54 A further investment of Rs 22 0 crores is expected during 1954-55 the year of completion of these projects Apart from Rs 4 0 crores raised as debenture loan by the Standard Vaccum Oil Company in 1953 54 the resources have so far been found by the managements in charge

3 The refinery of the Standard Vaccum Oil Company has been completed almost according to schedule and it went into production in July, 1954 Construction work on the Burmah Shell Refinery is ahead of schedule and production is expected to begin by the end of 1954

4 A significant part of the resources for financing the expenditure in the current year is expected to be raised in the form of equity capital and debenture loans

(31) Power Alcohol

In 1950 51 there were 19 units equipped for the production of power alcohol with an annual rated capacity of 12 87 million gallons. The establishment of one unit in Madhya Bharat and four units in the Madras State was under consideration Though no progress has been made on the new schemes the present capacity is rated at 14 9 million gallons per year as a result of reassessment In addition to the new units under consideration mentioned above the Planning Commission recommended the establishment during 1955-56 of 7 new units with a combined annual installed capacity of 5 1 million gallons and expansion of existing distilleries in U P to secure an additional production of 1 2 million gallons of power alcohol No progress has been made on the expansion of capacity envisaged but one unit not mentioned in the Plan has been licensed in Madras for the production of 500 000 gallons of power alcohol per year

2 Production of power alcohol increased from 4 72 million gallons in 1950 51 to 8 8 million gallons in 1953 54 as against a target of 18 million gallons by 1955 56 Most of the distilleries are reported to have got better yields also

3 The number of depots for blending power alcohol with petrol increased from 43 in 1951 to 71 in 1953 The Indian Power Alcohol Act 1948 has been enforced in U P Delhi and large parts of Punjab Pepsu and Vindhya Pradesh It has also been extended in the Nasik District of Bombay State to facilitate offtake of power alcohol produced by Government Distillery at Nasik from July 1954

(32) Cotton Textiles

The cotton textile industry has been making remarkable progress with all round improvement in production both by mills and handlooms In the mill sector the Plan visualised that through the installation of new units the number of spindles would increase from 10 94? 241 (equivalent to 1 669 million lbs of yarn) in 1950 51 to 11,29? 241 (equivalent to 1 722 million lbs of yarn) by 1955 56 A further 500 000 spindles were expected to be added as a result of the expansion of uneconomic units By January 1954 the total number of spindles had increased to 11 642 249 (equivalent to 1 775 million lbs of yarn) 216 076 spindles have been added by the in tal ation of 26 new unit and the remaining additions have been the esult of expansion of existing mills A number of further new nits and expansions have been sanctioned in recent months

2 The Plan did not envisage any expansion of loomage beyond hat would accrue from the completion of schemes which were lready under implementation at the beginning of the Plan period s a result of such expansion it was expected that the loomage would icrease from 194 411 looms (equivalent to 4 744 million yards of oth) in 1950-51 to 195 849 looms (equivalent to 4 779 million yards cloth) by 1955 56 The total number of looms installed as in anuary 1954 was 201 718 (equivalent to 4 922 million yards of cloth)

3 The Five Year Plan laid down targets of production for yarn id mill cloth of 1 640 million lbs and 4 700 million yards respective to be achieved by 1955-56 The actual production of yarn and ill cloth reached the peak figures of 1 520 million lbs and 4 906 illion yard in 1953-54 and in the latter case exceeded the target aid down in the Plan

4 The production of handloom cloth also registered a substantial ncrease partly a a result of the considerable assistance rendered o the industry by the Handloom Board As against the latest estinate of 742 million yards of handloom cloth produced in 1950 51 he production in 1953 54 is estimated at about 1 200 million yards he Plan has set a production target of 1 ,00 million yards to be ichieved by 1955 56

5 On the export side the textile industry did not do equally well he quantity of cloth exported was only of the order of 603 million ards (548 million yards of mill cloth and 55 million yards of hand oom cloth) in 1952 and 712 million yards (652 million yard of mill loth and 60 million yards of handloom cloth) in 1953 This is conderably below the target of 1 000 million yards laid down in the lan for 1952 53 The various fiscal measures adopted by the Govrnment and the constitution of an Export Promotion Council are expected to assist the industry in stepping up exports

6 The industry also made steady progress in the use of indigenous cotton The consumption of Indian cotton in the industry increased from 2 7 million bales in 1951 to 3 69 million bales in 1953. The period under review also witnessed a progressive withdrawal of controls over both production and exports

7 A comprehensive enquiry into the conditions of the Textile Industry has been undertaken by the Kanungo Committee which is expected to submit its report before the end of 1954

(33) JUTE MANUFACTURES

The annual rated capacity of the jute industry at the beginning of the Plan period was estimated at 1 2 million tons It was not considered necessary to add to the capacity of the industry, but emphasis was laid on the fuller utilisation of the existing capacity by procuring greater supplies of raw jute It was suggested that production should increase from 892 000 tons in 1950-51 to 1 0 million tons by 1952 53 and 1 2 million tons by 1955-56 The actual production of jute manufactures has however fallen short of the target, being only of the order of 910 000 tons in 1952 53 and 864 000 tons in 1953-54

2 Since the industry caters primarily for foreign markets, specific targets of exports were laid down in the Plan Exports were expected to be stepped up from 650 000 tons in 1950 51 to 825 000 tons by 1952-53 and to 1 million tons by 1955-56 Actually exports increased substantially to 807 000 tons in 1951 52 but declined to 706 000 tons in 1952 53 and 778 000 tons in 1953 54 The decline is attributed to keen competition from other producing countries and from alternate packing materials like paper and cotton bags and to a general decrease in the level of demand Suitable adjustments in export duties were effected to strengthen the competitive power of the industry

3 In the context of developments in other jute goods manufacturing countries the most important aspect of the indigenous jute industry relates to rehabilitation and modernisation of existing plant and equipment The process of modernisation of the preparatory machinery such as breaker cards finisher cards drawing frames and spinning frames has been in progress since 1950 and the Jute Enquiry Commission in their report of 1954 stated as follows

> Out of a membership of 75 mills under the I J M A group with total looms hessian and sacking of 65 794 15 mills with a loomage of 6 495 have been already modernised in whole or in part at an approximate cost of Rs 4 87 crores Another 13 mills with a loomage of 4 830 are in process of modernisation at an approximate cost of Rs 3 6 crores

(34) Rayon

At the commencement of the period of the Plan there was only one unit producing rayon filament with a capacity of 4 0 million lbs per annum With the completion and subsequent expansion of the new unit of the National Rayon Corporation the installed capacity for rayon filament increased to 11 2 million lbs by the end of 1953-54 The installed capacity is expected to be further stepped up to 26 4 million lbs per annum by 1955-56 (as against a target of 22 0 million lbs envisaged in the Plan) by the completion of the following schemes which are at present under execution

(i) Sirsilk Ltd	New Unit 4 0 million lbs of cellulose acetate filament.
(ii) National Rayon Corporation	Expansion From 7 2 million lbs to 1 0 million lbs
(iii) Travancore Rayons Ltd	Expansion From 4 0 million lbs to 5 6 million lbs
(iv) Century Spinning and Mfg Co Ltd	New unit 4 8 million lbs

2 Progress on the cellulose acetate plant of Sirsilk Ltd did not keep to schedule owing to financial difficulties The factory is now expected to go into regular production before the end of 1954

3 The production of rayon filament has increased steadily year by year from 0 75 million lbs in 1950 51 to 10 2 million lbs in 1953 54

4 The potential requirements of rayon filament is estimated at 70 to 75 million lbs per annum The maximum consumption on the basis of imports and indigenous production so far was 42 1 million lbs in 1951 52 This suggests that even after the completion of the schemes mentioned above it will not be possible to meet fully from indigenous sources the demand for rayon

5 The quantities of rayon yarn imported in recent years were as below

1950-51	35 3 million lbs
1951 52	36 5 million lbs
1952-53	22 2 million lbs
1953-54	38 4 million lbs

6 The factory of the Gwalior Rayon and Silk Manufacturing Company at Nagda designed to produce 28 000 bales of staple fibre per annum went into production in February 1954

7 The production of art silk fabrics has slightly exceeded what was visualised in the Plan. The total requirements of rayon fabrics for internal consumption and exports were put at 225 million yards in

1952 53 and 250 million yards in 1955 56 The average annual production of rayon piece goods for the period under review was estimated to be of the order of 260 million yards

(35) Woollen Manufactures

At the beginning of the Plan period there were 116 800 spindles and 2 039 power looms in existence in the woollen industry It was considered that whereas the loomage was adequate to meet the current level of demand the capacity for yarn should be augmented by the installation of 30 000 additional spindles during the period of the Plan with a view to reduce the dependance on import Upto March 1954 proposals from thirteen units for the establishment of 52 000 additional spindles had been approved There has been no increase in the weaving capacity of the industry

2 The production of woollen goods was expected to be stepped up from 18 million lbs in 1950-51 to 25 million lbs by 1955 56 The indigenous demand for woollen goods was estimated at 23 million lbs by 1955-56 and 2 million lbs were provided for exports Owing to slackness of demand the production actually declined to 17 million lbs in 1951 52 and 16 million lbs in 1952-53 The position has however improved in 1953-54 when production of 19 6 million lbs was attained

3 Imports of wool and woollen goods have remained at a fairly high level the average annual value being of the order of Rs 93 crores The import of wool tops accounted for nearly half of this amount These large imports of wool tops is indicative of an important gap in the structure of the industry the combing capacity of which is considerably short of the demand for wool tops

4 The exports of woollen manufactures declined from Rs 6 crores in 1950-51 to Rs 4 4 crores in 1953 54 The export of woollen yarn which was totally banned has recently been permitted in view of the improved supply position

(36) Matches

A slight increase in rated capacity from 35 3 million gross boxes per annum in 1950-51 to 38 3 million gross boxes in 1955 56 was visualised in the Plan Despite a fall in the total number of factories from 202 in 1950 to 147 in 1953 which mainly took place in the sector of 'C class units the capacity of the industry has remained more or less at the same level due to an increase in the productive capacity of some of the B class factories

2 The actual production of matches rose from 29 3 million gros boxes in 1951 52 to about 32 million gross boxes in 1952 53 but declin ed again to about 29 3 million gross boxes n 1953-54 A target o 35 3 million gross boxes was fixed for 1955-56

3 Imports have been negligible and exports which reached a figure of 0 3 million gross boxes in 1949-50 have since then dwindled to almost nothing It had been expected that exports would conti nue at about the 1949 50 level

4 The Plan laid considerable emphasis on the development of the cottage sector of the match industry and a number of measures designed to assist this sector including the constitution of a Marke ing Board and the revision of the scales of excise duty are under con ideration

(37) Plywood

No progress has been made on the implementation of scheme for new plywood factories in Assam and the Andamans which were referred to in the programme of development for this industry The installed capacity of the industry was assessed at 144 0 million q ft per annum in 1953 as against 139 0 million sq ft at the commence ment of the Plan

2 Production of teachest plywood increased from 44 9 million sq ft in 1950-51 to 71 million sq ft in 1952-53 as against a target figure of 75 million sq ft for that year In 1953-54 due to accumula tion of stocks following a slump in the tea trade production fell back to about 50 million sq ft

3 Protection to the industry has been extended up to the end of 1957 In order to ensure that teachests made of standard quality of plywood and conforming to approved specifications are used for packing tea intended for export Government have established ins-pectorates at six centres in the country

(38) Salt

The production target of 837 lakh maunds of salt per annum scheduled for attainment in 1955 56 was nearly achieved during 1953-54 when production rose to 832 lakh maunds as compared with 741 lakh maunds in 1950-51

2 No export target was fixed for salt in the Plan However there has been a progressive increase in exports during the last four years which have risen steadily from 0 5 lakh maunds in 1950-51 to 3 1 lakh maunds in 1953-54

3 Efforts are now being concentrated on improving the quality and reducing the cost of production of salt A number of model salt farms salt research stations and test laboratories have been established in the salt producing areas

4 In order to regulate the levy of salt cess and the utilisation of funds therefrom the Salt Cess Act 1953 has been enacted which came into force with effect from January 2 1954

(39) SUGAR

In 1951 there were 158 sugar factories in India with a rated capacity of 15 4 lakh tons of sugar It was thought that during the period of the Plan he consumption of sugar would not exceed 15 lakh tons pe annum and that therefore no conside-aole increase of capacity was necessary Emphasis was laid on the shifting of factories situated in areas where cane supplies are insufficient to more favourable localities rather than on the installation of additional capacity

2 The capacity has in fact increased only to 16 3 lakh tons of sugar by the end of 1953 Most of the increase has been by way of expansion of existing units The shifting of factories has presented a good many difficulties and only six factories have applied for and been given permission to shift

3 With the removal of all quantitative restrictions on the consumption of sugar in 1952 53 the demand for it rose steeply to about 17 lakh tons per annum The whole question of capacity was therefore reviewed and it was concluded that over the next few years additional capacity of about 4 5 lakh tons per annum would be needed Accordingly applications were invited in April 1954 for setting up new units and expansion of existing ones

4 The figures of production are given below It will be seen that in 1951 52 the production target for 1955-56 or 15 lakh tons was nearly reached but since then production has fallen back again

	Sugar (Lakh tons)
1950-51	11 20
1951 52	14 94
1952 53	12 91
1953-54	*10 01* (provisional estimate)

5 A Development Council was set up for the Sugar Industry in March 1954

(40) VEGETABLE OILS

No addition to the capacity of the vegetable oil industry was envisaged in the Plan except for cottonseed crushing and the solvent extraction of oilcakes The crushing capacity of the vegetable oil mills was re-assessed by the Development Wing of the Ministry of Commerce and Industry as 56 lakh tons of oilseeds per annum at the end of 1952 The Oil Expert to the U.P Government has estimated the annual crushing capacity of the *ghani* (village oil) industry as 7 lakh tons of oilseeds

2 The factory of M/s Sundatta Cottonseed Utilisation Ltd started production in March 1953 with a daily crushing capacity of 12 tons per day which was expanded to 25—30 tons per day in September 1953 Another unit has been licensed to crush about 4 300 tons of cottonseed per annum 22 firms have been granted licences to set up solvent extraction plants with a total capacity of about 6 000 tons of oil per annum

3 On the basis of the production statistics for the five major oil seeds for 1953-54 the output of vegetable oils in the year is estimated to be about 13 98 lakh tons compared with 11 13 lakh tons in 1949 50 taken as the base year This represents a considerable improvement in the availability of oils in comparison with the previous years and the target of 13 0 lakh tons envisaged in the Plan has also been surpassed

4 There have been wide fluctuations in the export of vegetable oil during the last few years 119 600 tons 88 200 tons 143 500 tons and 31 500 tons were exported during 1950 51 1951 52 1952 53 and 1953-54 respectively

(41) VANASPATI

Apart from the completion of plants under construction at the commencement of the Plan which was expected to raise the installed capacity from 333 000 to 389 000 tons no further increase of capacity was envisaged for the Vanaspati Industry At the end of 1953-54 the capacity stood at 347 000 tons per annum Though the construction of the Government Hydrogenation Factory at Kozhikode was completed in 1953-54 it has not yet gone into production

2 The production of vanaspati has arisen from 153 000 tons in 1950 51 to 199 000 tons in 1953-54 Still the actual production is considerably short of the target of 300 000 tons by 1955-56 Price control over vanaspati which was in force at the beginning of the Plan period was abolished in 1952

3 The use of cottonseed oil in the manufacture of vanaspati has risen steadily from 1 800 tons in 1951 to 8 500 tons in 1953

Chapter X

COTTAGE AND SMALL-SCALE INDUSTRIES

Cottage and small scale industries continued to be confronte with problems arising from lack of finance marketing facilities an technical assistance and from the competition of large scale indu tries Reference to these problems was made in previous Progre Reports and also to the slow rate of expenditure by the Centra an *State Governments on schemes for cottage and small-scale industrie* During the year under review there has been a considerable increas in the rate of expenditure by the Central Government on the deve lopment of the handloom khadi and other cottage and small sca industries There has also been an increase in the tempo of activ ties of the various Boards set up for developing traditional indu tries and crafts *One notable feature of the year was* the visit this country under the auspices of the Ford Foundation of a International Team of experts to study the problems of small sca industries and to make recommendations They submitted a r port just before the close of the year under review

CENTRAL PLANS

2 *Progress of Development Expenditure*—Out of the Centr provision of Rs 15 crores for the development of cottage and sma scale industries the total expenditure amounted only to Rs 14 lakhs in 1951 52 and Rs 29 3 lakhs in 1952 53 but it increased Rs 79 9 lakhs in 1953-54 The details of the progress of expend ture during the first three years of the Plan period are show below —

Progress of Expenditure (Rs 000)

	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised
(i) *Khad*	2 00	9 00	(1 97 18
(ii) Handloom	14	6 33	(63,
(i) Village Industries	59	73	21,
(i) Handicrafts	4 50	2 60	11
(v) Sericulture	1,42	2 70	13,
(vi) Small scale Industries	5 67	7 90	33,
TOTAL	14 32	29 26	79 89

(Since 1953 54 the expenditure on *khadi* and handloom is being met out of Cess Fund)

(***The figure represents the actual amount sanctioned by the* Central Governm as against the revised estimate of Rs 92 8 lakhs for 1953 54 as given in Central Budget 1954 55)

In addition financial assistance to the *khadi* and handloom industries is being provided out of the cess of 3 pies per yard on mill made cloth levied under the *Khadi* and other Handloom Industries Development (Additional Excise Duty on Cloth) Act 1953 which is expected to bring in a sum of Rs 6 crores a year

3 The main reason for the low rate of expenditure by the Centre on cottage and small scale industries during the first two years was the inevitable delay that took place in setting up and organising the work of the four Boards designed to operate in this field viz the All India Khadi and Village Industries Board the All India Handloom Board the All India Handicrafts Boards and the recently reconstituted Central Silk Board The activities of these Boards are reviewed below Recently a Coir Board has also been set up

4 *All India Khadi and Village Industries Board*—During the first two years of the Plan period the total expenditure by the Central Government on a production programme for the *khadi* industry amounted to Rs 11 lakhs During 1953-54 finance was provided out of the cess of 3 pies per yard on mill cloth and the All India Khadi and Village Industries Board set up in January 1953 launched a number of schemes for the development of the industry The schemes sanctioned relate to training supply of technical equipment and advice production programme marketing etc The total expenditure on schemes for the *khadi* industry in 1953-54 was Rs 1 97 2 lakhs The production increased from Rs 71 lakhs worth of *khadi* in 1952 to Rs 1 36 lakhs worth in 1953 To encourage offtake the Government are subsidising the sale to the extent of 3 annas for every rupee worth of *khadi* sold

5 Prior to the constitution of the Board only a consolidated provision was being made by the Centre for the development of village industries and the total expenditure on schemes for training research production programmes etc amounted only to Rs [illegible] lakhs during the first two years of the Plan period The Board since its constitution has taken up the development of 9 selected village industries (excluding *khadi*) viz soap making with neem oil village oil industry hand pounding of rice village leather industry handmade paper bee-keeping cottage match industry flour chakkies and village pottery A sum of Rs 21 9 lakhs was spent during 1953-54 on the development of these industries A statement showing the progress of expenditure on *khadi* and village industries during the first three years of the Plan period will be found at the end of the Chapter (Appendix I)

6 The schemes for the development of *khadi* and village industries have been not only framed but are also being implemented by the Board which has set up an organisation consisting

Central Office Zonal Offices and village Organisers Counterparts of the Board have been established in most of the Part A' and B' States During 1953-54 a Training Survey Committee appointed by the Board undertook a survey of the existing training facilities and has made comprehensive suggestions in regard to their improvement and expansion A Research Institute Committee was also appointed to survey the existing facilities for research and make recommendations The Committee has recommended the establishment of a Central Re earch Institute

7 An exhibition of *khadi* and village industries was organised by the Board in Delhi in the early part of 1954

8 *All India Handloom Board*—Before the constitution of the All-India Handloom Board the Central Government made available financial assistance to the State Governments out of the Handloom Development Fund on the recommendations of the Standing Committee for the Handloom Industry In 1951 52 and 1952 53 Rs 1 86 lakhs and Rs 5 46 lakhs were sanctioned respectively for the development of the industry The actual expenditure incurred during the corresponding years was Rs 0 14 lakhs and Rs 6 33 lakhs The Board set up in October 1952 was not able to organise machinery for dealing with the problems of the handloom industry until after September 1953 As a result only a sum of Rs 63 5 lakhs could be utilised in 1953 54 as against a provision of Rs 3 04 5 lakhs from the Cess Fund The funds are being utilised with the primary objective of developing co operative effort amongst handloom weavers The production of handloom cloth increased from 1 100 million yards in 1952 to 1 200 million yards in 1953 and it is estimated at 542 million yards during the first 5 months of 1954 The increase in production is indicative of an increase in employment A statement showing the details of financial assistance sanctioned and the actual expenditure is attached at the end of this Chapter (Appendix II)

9 A Central Marketing Organisation has been set up under the Board with branch offices in Madras Bombay and Benares A special Designs Section has also been opened and a scheme for promoting external marketing has been sanctioned Another important development is the opening of sales depots in rural and semi urban areas of the States in contrast to larger concentration on urban areas in the past The organisation of weavers into co operatives is making steady progress

10 *All India Handicrafts Board*—The Central Government sanctioned Rs 4 5 lakhs in 1951 52 and Rs 2 6 lakhs in 1952-53 for certain schemes for the development of handicrafts In November 1952 the All India Handicrafts Board was set up and a number of schemes for the development of handicrafts formulated by the

State Governments were approved The total expenditure on these schemes amounted to Rs 11 5 lakhs in 1953-54 The majority of them elate to those specific handicraft which the Board has select d f immediate development namely pottery toy making and mat weaving The Board has taken up the development of a tery Centre and a Pattamadai Mat Centre in Madras and the revival of the old blue and black pottery industry in Delhi Appendix III shows the progress of expenditure during the years 51—54.

The Indian Co-operative Union is conducting a market survey behalf of the Board. There are at present 22 emporia function t various places in the country and it has been decided to open ndicrafts Museum at New Delhi A number of exhibitions held in India and abroad to popularise handicrafts which have een included as an item of export in the bilateral trade agree with various countries

Central Silk Board—The Central Silk Board set up in 1949 constituted in September 1952 to provide for wider represen and also to bring the entire silk industry within its purview o the re-constitution of the Board the Standing Committee scrutinise the schemes and approve grants-in aid on an ad is The amounts sanctioned in 1951 52 and 1952 53 were lakhs and Rs 2 7 lakhs respectively The Board has set up cal Development Committee to examine the scheme of the overnments and a sum of Rs 13 23 lakhs was sanctioned 1953-54 A statement showing the progress of expenditure on schemes during the period 1951—54 will be found in x IV

mall scale Industries—Prior to 1953-54 a consolidated pro- was being made and distributed to the various State Gov s for the development of small scale industries Apart from provision for the grant of loans in Part C Stat s the bulk unds were spent on training research survey formation of tives purchase of equipment etc The total amount sanc- y the Centre amounted to Rs 5 67 lakhs in 1951 52 and lakhs in 1952 53 In 1953-54 however provision was made e development of ten out of twelve small scale industries d for intensive development viz footwear and leather goods tanning glassware cutlery cycle parts locks carpentry and orking blacksmithy sports goods and simple types of mathe l surveying and drawing instruments and in addition for ass and bell metal match pottery and coir industries A sum 33 25 lakhs was sanctioned for schemes of State Governments g to these industries The statement in Appendix V show

the progress of expenditure on small scale industries years 1951—54

14 Proposals for liberalising the terms on which fina ance can be given to cottage and small scale industries State Aid to Industries Acts have been formulated by tl of Commerce and Industry for the consideration of the vernments Steps were also taken to expand financia for the development of small scale and medium scale through the establishment of State Financial Corporatic March 1 1954 six State Governments namely Punjab Travancore Cochin Bombay Hyderabad and West Beng ready set up such corporations In all cases the Reserv India has contributed 10—20 per cent of the issued capi has uniformly been Rs 1 crore During the year the Pun cial Corporation sanctioned loans amounting to Rs 28 52 had disbursed a total amount of Rs 8 84 lakhs up to Marc The other corporations which were established only rece not yet started granting loans Proposals for the establi similar corporations in the other States are under consid the respective State Governments

15 Reference was made in the last Progress Report to t Committee the Stores Purchase Committee and the En Capacity Survey Committee whose recommendations were to have some relevance to the development of small scale i The Shroff Committee has submitted a final report and tl interim reports which are all now under consideration

16 The Ford Foundation International Planning Team c Industries which was invited to formulate plans for the deve of village and small scale industries with a view to creati opportunities for remunerative work arrived in India in N 1953 and submitted their Report in March 1954 The Gov of India have examined the Team s recommendations and hav ed to implement the following recommendations as e possible —

(i) The establishment of four Regional Institutes of Tec for small industries which would act as service a and would assist small industries in improving technique of production and management in ol credit and finance in securing proper raw mater marketing their goods to the best possible adv and in promoting patterns of development calcul make small scale industries ancillary to larg industries by bringing about co-ordination of p tion programmes

(ii) The establishment of a Marketing Service Corporation which would later integrate its activities with those of the Institutes of Technology

(iii) The establishment of a Small Industries Corporation to organise production for meeting Government orders

Other recommendations made by the Team are under consideration It has already been decided that the Institute for the Eastern Region should be at Howrah and the other Institutes are proposed to be located as follows —the Northern Institute tentatively at Faridabad near Delhi the Western Institute near Bombay or Poona (the exact location will be decided later) and the Southern Institute at Madurai in Madras State

State Plans

17 Expenditure by the State Government on schemes for cottage and small scale industies included in their own plans has been relatively slow Of the total provision of Rs 11 94 crores in these plans the actual expenditure during the first three years amounted to only Rs 3 94 crores Progress is slow in all the States except the U P Madras Orissa Madhya Pradesh Rajasthan Bhopal and the Punjab where expenditure during the first three years of the Plan period amounts to nearly 50 per cent of the total expenditure envisaged Adjustments in the plans have led to the inclusion of several new schemes for cottage and small scale industries involving an additional expenditure of Rs 40 7 lakh e g the West Bengal Government s scheme for small scale engineering industries in Howrah and expansion of the Mysore Government s scheme for rural industrialisation

Statement showing the Progress of Expenditure on Khadi an Village Industries during 1951—54

	(Rupees 000)		
	1951 52 (Actuals)	1952 53 (Acutals)	1953 5 (Revise
I *Khadi*			
(*i*) Training			1,
(*ii*) Technical Equipment			2
(*iii*) Production Programme	2,00	9,00	99
(*iv*) Marketing			88
(*v*) Publicity & Propaganda			5
(*vi*) Research			
TOTAL	2 00	9 00	1 97
II *Village Industries*			
(*i*) Training Research Production Programme & Equipment	59	73	
(*ii*) Soap making with *Neem* Oil (production programme)			2
(*iii*) Village Oil Industry (equipment & training)			3,
(*iv*) Hand Pounding of Rice (equipment & production subsidy)			3
(*v*) Village Leather Industry (production & training)			3,
(*vi*) Hand made Paper (production programme equipment training & research)			4,
(*vii*) Bee keeping (production programme training marketing & publicity)			2,
(*viii*) Cottage Match Industry (marketing, training & research)			1 9
(*ix*) *Flour Chakkies (equipment)*			[illegible]
(*x*) Village Pottery (training & production programme)			1
TOTAL	59	73	21,
GRAND TOTAL	2 59	9 73	19

tement showing the Details of Financial Assistance sanctioned to the Handloom Industry during 19_1—54

(Rs 000)

	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)
Financial Assistance Sanctioned			
1 Equipment	6	1 31	19 82
2. Marketing	44	2 24	1 29 68
3. Training		51	
4. Publicity & Propaganda			4 63
5 Research		48	1 91
6. Production Programme	1 00	68	12 59
7 Co-operative Societies	16	24	1 31 94
8 Miscellaneous			3 88
TOTAL	1 86	5 46	3,04 45
Actual Expenditure	14	6 33	63,48

Appendix I

Statement showing the Progress of Expenditure on Handicraf[t]s during 1951 54

(Rs 00

	951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised
1 Equipment Training Research Production Programme etc	4 50	2 60	6
2 Pottery (training technical aid equipment & production programme)			1,
3 Mat Weaving (production programme)			4
4 Toy Making (production programme equipment & co-operatives)			1,2
5 Emporium (marketing)			2 1
TOTAL	4 50	2 60	11

Statement showing the progress of Expenditure on Sericulture Industry during 1951—54

(Rs 000

	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)
(i) Research	-7	1 12	4,24
(ii) Marketing	1	10	16
(iii) Production	1 14	1 10	4 98
(iv) Equipment		21	2 91
(v) Training		17	72
(vi) Formation of Co-operatives			16
(vii) Propaganda & Publicity			6
TOTAL	1,42	2 70	13,23

Appendix V

Progress of Expenditure on Small scale and Cottage Industries during 1951—54

(Rs. 000)

	1951 52 (Actuals)	1952 53 (Actuals)	1953-54 (Revised
I *Cottage and Small scale Industries*			
Amount advanced to Part C States for grant of Loans for the development of Cottage and Small scale Industries	92	2 00	6
II *Small scale Industries*			
1 Equipment, Research Marketing Survey Production Programme Training Formation of Co-operative Societies and Standardisation	4 75	5 90	1
2 Leather Industry including footwear and leather tanning (production programme & research)			1
3 Glassware including bangle industry (production programme research & training)			
4 Cutlery Cycle Parts and Locks (production programme)			
5 Carpentry including woodwork (production programme)			
6 Blacksmithy (production programme)			
7 Sports Goods (production programme & formation of co-operative societies)			
8 Brass & Bell Metal Industries (Production programme)			
9 Mathematical Surveying and Drawing instruments (production programme)			
10 Pottery (production programme & survey)			
11 Match (production programme)			
12 Coir Industry (formation of co-operative societies)			
TOTAL	5 67	7 90	

NOTE —A consolidated provision was being made and disbursed to various upto the end of 1952 53

Chapter XI

DEVELOPMENT OF MINERAL RESOURCES

1 *Mineral Surveys and Investigations*—Out of a total provision of Rs 106 19 lakhs for the development of mineral resources (Rs 66.96 lakhs for the further expansion of the Geological Survey of India and Rs 39 23 lakhs for the five-year expansion of the Indian Bureau of Mines) only Rs 19 60 lakhs have so far been spent as detailed below —

(Rs lakhs)

Five Year Cost	1951 52		1952 53		1953 54		Three years Total	
	GSI	IBM	GSI	IBM	GSI	IBM	GSI	IBM
Plan	5 00	- -9	13 69	6 92	13 70	8 64	32 39	17 85
Actuals	1 09	0 29	4 73	1 19	5 30	7 00	11 12	8 48

Revised budget figure

The progress of expenditure which was very slow during the first two years of the Plan owing to delays in recruitment of technical personnel and procurement of equipment has shown some improvement during 1953-54 The difficulty in getting equipment is sought to be remedied under programme of external assistance The Geological Survey of India and the Indian Bureau of Mines are expected to get equipment of a total value of Rs 37 0 lakhs under the Indo-American Technical Aid Programme Besides the above the Indian School of Mines have asked for equipment under the Colombo Plan

The Plan did not lay down any specific targets in respect of mineral surveys but only indicated what investigations should be undertaken during the Plan period It is difficult therefore to assess in concrete terms the achievements during the first three years of the Plan For want of adequate staff and suitable equipment mineral surveys have undoubtedly proceeded at a slower pace than was expected However to the extent that personnel and equipment were available the two Departments have taken up a number of items included in the programme the work on which has been completed in certain cases and in others is still being

continued A summary of the more important achievements of the two Departments is given below

2 *Geological Survey of India*—Though in drawing up the annual programme of the Department the Planning Commission's recommendations are kept in view in practice it has not been possible to adhere strictly to the annual programmes as priority has constantly to be given to urgent *ad hoc* investigations With the increasing strength of the Department this tendency is on the decline and there has been a noticeable improvement in the number of investigations taken up during the course of the last three years Thus in respect of systematic mapping engineering geology ground water investigations geophysical investigations and exploratory mining and drilling more work has been undertaken by the Department in 1953-54 than in previous years The same is not however, true of detailed investigations of mineral deposits

The Geophysical Section has doubled its activities during the last three years Specialised equipment has been ordered and when it is obtained these surveys can be extended over a larger area During the last three years this Section has covered certain areas for the location of possible oil bearing structures the manganese belt in Madhya Pradesh for the location of ore bodies at depth and the sulphide ore bodies in Singhbhum (Bihar) and Chitaldrug (Mysore) to determine their extension In the field of exploratory mining a limiting factor has been the shortage of equipment Proposals are under consideration for obtaining more equipment for this work and, when it is obtained it will be possible to undertake prospecting operations in respect of important minerals like copper lead zinc etc

Detailed large scale mapping of the manganese ore belt in Madhya Pradesh has shown that the reserves of this mineral in this area are larger than estimated hitherto Similar large scale mapping of the lead zinc deposits at Zawar (Rajasthan) has now been taken up

3 *Indian Bureau of Mines*—Inspection of mines for the purpose of improving the methods of mining and ensuring conservation, on which a start was made in 1950 51 has been continued Most of the important mines working manganese ore chromite and mica have been covered In addition specific detailed investigations were undertaken in respect of gypsum resources in the Andaman Islands sulphur in Ladakh diamond in Vindhya Pradesh chromite in Andhra and Mysore ilmenite in Bombay lead and zinc in Bombay copper in Pepsu Rajasthan and Bihar and gold in Bengal Bihar and Orissa

Investigations on the beneficiation of low grade manganese ore are ing continued Processes tried out on a laboratory scale having oved successful on two samples their practicability is to be tested a pilot plant scale

As regards mineral legislation rules have been drafted for regu ing the working of mineral deposits and also for the revision of leases to bring them into conformity with the Mineral Concession les 1949 These have not yet been finalised

4 *Exploration for Petroleum*—The Government of India have ned an agreement with the Standard Vacuum Oil Co Ltd for a nt exploration for petroleum in the West Bengal Basin This rks an important step in the development of mineral resources

5 *State Collieries*—A programme for the efficient and economic rking of the railway collieries was drawn up and the Ministry of ilways agreed to provide Rs 145 0 lakhs for it The programme luded the development of new seams the opening out of virgin rea the modernisation of equipment and the provision of ameni les like housing pit head baths creches etc During the first two ears of the Plan a sum of Rs 23 68 lakhs wa spent The actual gure of expenditure during 1953 54 is not available but the revised udget estimate of Rs 43 04 lakhs gives some indication of the pro ress made during the year Since the programme was drawn up ertain modifications in it have been found to be necessary as a esult of which the revised estimate of its cost during the period of he present Plan is placed at Rs 111 16 lakhs

6 *Coal*—In view of the importance of the washing of coal for ndustrial efficiency in general and for extending the life of coking oal resources in particular the Government of India appointed a ommittee early in 1953 to report on certain questions relating to he setting up of coal washeries The Committee in a draft re ort submitted during the year recommended the early adoption of oal washing in India in view of the gradual deterioration in the uality of the coal mined They have suggested the installation of a omposite type of plant which would handle different varieties of oal and are of the opinion that central washeries would be more conomical than individual units at the mines

7 *Singareni Collieries*—The State Government of Hyderabad have taken up a scheme for modernising and increasing production rom the Singareni group of collieries The work was in progress before the commencement of the Plan and the State Government nade a provision of Rs 96 lakhs in their Plan for continuing it The

immediate object of the programme is to step up production from the original figure of one million tons per annum to 1½ million tons it will then be raised further by stages to two million tons per annum by the end of 1958 Current production is at the rate of 1 26 million tons i e an increase of 0 26 million tons over the 1949 figure The immediate objective of 1½ million tons is expected to be achieved by the end of 1954 During the Plan period, an expenditure of Rs 37 25 lakhs has been incurred from the Company's own resources and the State Government have provided a sum of Rs 32 19 lakhs in their budget for 1953 54 The State Government propose to approach the Industrial Finance Corporation for a loan to complete the project

8 *South Arcot Lignite*—The pilot quarrying scheme which was started in March 1953 has made comparatively slow progress The pit has been opened down to a depth of 100 ft from the surface and it is expected that the lignite bed will be reached at a depth of about 180 ft before the end of 1954 Work on the scheme has been delayed owing to the non availability of suitable machinery A firm of foreign consultants have been appointed to furnish a project report regarding the further development of the lignite deposits in the event of the pilot project proving successful

The cost of the pilot project originally estimated at Rs 79 lakhs was revised to Rs 65 89 lakhs but is likely to be raised upwards again A sum of R 39 59 lakhs had been spent up to the end of July 1954

9 *Mineral Production*—There was a general increase in the volume and value of mineral production in the first two years of the Plan as indicated in the table appended The total value of all minerals produced in the Indian Union rose from Rs 83 41 crores in 1950 to Rs 105 55 crore in 1951 and to Rs 108 04 crores in 1952 The sudden increase in the value in 1950 51 was largely due to phenomenal increases in the value of production of manganese ore (which more than doubled itself) mica (50 per cent) magnesite (about 40 per cent) lead metal (76 per cent) zinc concentrates and wolfram The value did not continue to rise in 1952 largely because of a sudden drop in the case of mica

Complete data are not available with regard to mineral production in 1953 The available information goes to show that two of the major minerals produced in India have suffered a set back namely coal and mica In the case of coal total production in 1953 was half a million tons less than in 1952 and this downward tendency has continued to persist in the early months of 1954 In the case of mica the main reason for the drop in production has been a slump in the world market for this mineral

Mineral Production

		1950	1951	1952	1953*
Coal	000 tons	32307	34432	36304	35979
	Rs lakhs	4668	5048	5362	
Iron ore	000 tons	2965	3657	3926	3784
	Rs lakhs	154	210	268	
Manganese ore	000 tons	883	1292	1462	1864
	Rs lakhs	848	1783	2245	
Chromite	000 tons	17	17	35	62
	Rs lakhs	6	9	18	
Ilmenite	000 tons	-13	224	225	215
	Rs lakhs	33	40	37	
Bauxite	000 tons	64	67	64	67
	Rs lakhs	8	8	8	
Kyanite	000 tons	35	43	7	14
	Rs lakhs	33	59	63	
Sillimanite	000 tons	1	4	5	5
	Rs lakhs	0 8	-	4	
Magnesite	000 tons	53	117	89	93
	Rs lakhs	11	19	16	
Gypsum	000 tons	06	204	411	571
	Rs lakhs	14	13	31	
Copper ore	000 tons	360	369	325	238
	Rs lakhs	1 0	N A.	N.A.	
Lead concentrates Lead produced	000 tons		2	2	3
	Rs lakhs		15	17	
Zinc concentrates	000 tons		2	4	4
	Rs lakhs		7	11	
Total value of all minerals	Rs lakhs	83,41	1 05 55	1 08 04	

Provisional figures Source G S I

Exports

		1950	1951	1952	195…
Coal	000 tons	911	1879	2488	12 1
Iron ore		55	197	669	1095
Manganese ore		780	907	1409	1654
Chromite		3	8	8	15
Ilmenite		N.A	243	N.A	126
Kyanite		N A	16	27	16
Sillimanite		N.A	2	4	3
Mica	000 Cwts	316	490	307	245

Source Accounts relating to the Foreign (Sea Air and Land) Tr de and Navigation of *India*

During nine months—April to December

Chapter XII

TRANSPORT AND COMMUNICATIONS

The pace of economic development in a country is very much dependent on the provision of adequate transport facilities and for this reason the vital role of transport is being increasingly brought into prominence at the present time with the progressive implementation of schemes in various sectors under the Plan Increases in production and the impact of the various projects in other sectors continue to generate additional traffic for the Railways to carry and despite the progress achieved in the rehabilitation programme the growing demand for transport facilities cannot be met currently in all cases The movement of essential traffic including coal soft-coke and brick burning coal continues to be subject to the limitations of line capacities over certain sections and the availability of rolling stock. The pressure on rail transport is expected to ease gradually with the progressive completion of works augmenting line capacities and the implementation of the rehabilitation programme It was recognised in the preparation of the Plan that the general increase in the traffic could not be satisfactorily handled within the Plan period and special measures would be necessary to cope with particular problems The transport difficulties became specially noticeable during the third year of the Plan i e 1953-54 This has led to the reassessment of the country s transport requirements and to the consideration of ways to meet them Accordingly the State Governments were consulted by the Planning Commission during the year and various aspects of the problem were entrusted to an inter-departmental Study Group which is now finalising its report The problem of supplementing the rail transport facilities with other means of transport particularly road transport, has received special attention In the meeting of the National Development Council held in October 1953 a special request was made to the State Governments to review their licensing policies which are known to be hampering the development of private road transport Recently the entire problem of road transport has been reviewed by the Commission in consultation with the Ministry of Transport and the policy decisions which have been made are expected to stimulate the development of road transport in the country It is hoped that after the Study Group has finalised its recommendations it would be possible to take further measures for effecting improvement in transport facilities

I Railways

2 The progress of the Plan for the Indian Railways during the first three years has been satisfactory The table below shows the expenditure during the past three years on the various items in the Railway Plan

Table Showing the Progress of Expenditure on the Railway Plan

(In crores of Rupees)

Categories of Expenditure	Total Provision for five years	1951 52 1st year (Actual)	195- 53 2nd year (Actual,	1953 54 3rd year (Final Estimate)	Total for three years	
1 Rolling Stock and Machinery	207 96	34 36	33 23	42 19	109 78	(52 8)
- Track	64 87	9 7-	13 46	9 56	32 74	(50 6)
3 Bridges	5 60	1 00	0 0	0 45	1 95	(34 8)
4 Other Structural and Engineering Works	43 41	6 68	7 24	9 25	23 17	(534)
5 Collieries and Ports	2 49	0 16	0 10	0 16	0 42	(16 9)
6 Labour Welfare Staff Quarters and Other Welfare Works	24 09	3 74	3 14	4 61	11 49	(47 7)
7 Restoration of dismantled lines	56 6	0 50	3 71	4 18	8 39	(44 3)
8 New lines including electrificationr of track and major bidges	-8 52	6 76			6 76	
9 Passenger amenities	15 00	2 45	2 34	2 59	7 38	(49 2)
10 Miscellaneous items	2 40	5 49	—3 54	—3 73	—1 78	
TOTAL	400 0	70 86	60 18	69 26	200 30	(50 1)

NOTE—Figures within brackets indicate percentages of the total provision under each head

3 A brief account of the progress under different heads is given below —

Rehabilitation of Rolling Stock

(a) *Locomotives*—It was intended originally to obtain 1 038 locomotives in the Plan period 600 from abroad and 438 from TELCO and the Chittaranjan Locomotive Works The programme has been stepped up and orders have been placed for the Plan period for 2 062 locomotives—727 from India and 1 335 from abroad In the year 1953-54 177 locomotives were received—86 from India and

91 from abroad In all during the first three years of the Plan period 510 locomotives were received—334 from abroad and 176 from India out of which TELCO manufactured 62 and Chittaranjan 114 locomotives The production from Chittaranjan in the year 1953-54 was 64 and is expected to be raised to 92 in the final year of the Plan TELCO produced 22 locomotives in 1953-54 and is expected to turn out 50 per annum in the remaining two years of the Plan

(b) *Coaching Vehicles*—The original target of 5 674 has been slightly stepped up and orders have been placed for 5 786 coaches for the period of the Plan—4 997 from India and 789 from abroad The actual receipts in the first three years were 2 734—2,270 from India and 464 from abroad In the single year 1953-54 980 coaches were received—806 from India and 174 from abroad

The construction of buildings and procurement of machinery and plant for the Integral Coach Factory has been proceeding according to schedule and the factory is expected to commence production in 1955-56 The rate of production will be stepped up gradually from 20 in 1955-56 to 350 coaches by the end of the Second Five Year Plan

(c) *Wagons*—The target of procurement under the Plan was 49 143—30 000 from India and 19 143 from abroad Actually orders have been placed for the Plan period for 60 428 wagons—41 903 from India and 18 525 from abroad Even with this procurement the proportion of the overaged units requiring to be retained in service will not be appreciably less compared to that at the beginning of the Plan The receipts during the first three years were 26 270—17 062 wagons from indigenous sources and 9 208 from abroad In the single year 1953-54 10 611 wagons were ordered The capacity for the indigenous production of wagons has been increased recently from the average of about 6 000 wagons per year to 10 000 wagons and is likely to be improved further to 12 000 wagons by the year 1955-56

Track Renewals

4 About half the provision under this head has been spent in the first three years In terms of mileage 1868 miles of complete track renewals have been completed. Besides 441 miles of rail renewals and 916 miles of sleeper renewals have been completed in this period Owing to the inadequate supply of steel rails and sleepers progress of track renewals has been somewhat slow At present speed restrictions are still in force over about 2 000 miles of track as compared with over 3 000 miles at the beginning of the Plan period

New Lines and Restoration of Dismantled Lines

5 In the first three years of the Plan period seven new lines have been opened and seven of the dismantled lines have been restored The new lines opened are —

(i) Arantangi Karaikudi
(ii) Mukerian Pathankot
(iii) Gandhidham Deesa
(iv) Kastagram Pariharpur
(v) Pihij Nadiad
(vi) Rail link to Chandigarh and
(vii) Diggi Toda Rai Singh portion of Sanganer Town Deoli Extension

The following dismantled lines have been restored —

(i) Tinpahar Rajmahal
(ii) Bijnor Chandpur Siau
(iii) Cambay Bunder Siding
(iv) Vasad Kathana
(v) Balamau Madhoganj portion of the Unnao-Madhoganj Balamau Section
(vi) Madura Bodinayakanur Section and
(vii) Bobbili Salur

Further progress has been made in the current year and two new lines have been opened namely (i) Chunar Robertsganj Churk and (ii) Madhepura Murliganj and four dismantled lines restored, namely (i) Nagrota-Jogindernagar, (ii) Bhagalpur Mandar Hill (iii) Shoranur Nilambur and (iv) Madura Bodinayakanur Among the new lines on which work is in progress special mention may be made of the following —

(1) Champa Korba Coalfields
(2) Quilon Ernakulam
(3) Khandwa Hingoli and
(4) Gop-Katkola

Other Structural and Engineering Works

6 Within this category priority has been accorded to works designed to speed up traffic for instance building up of crossing stations the provision of extra lines or doubling of track for short distances and remodelling of marshalling yards More than half the provision

under this head has already been spent in the first three years out of the total provision of Rs 43 41 crores Special mention may be made of the following works which were completed or were brought near completion in the first three years of the Plan —

(1) Budni Barkhera new down line construction

(2) Subsidiary yard and North South avoiding line at Kharagpur

(3) Development of B G M G Transhipment facilities at Sakrigali Manihari Ghat

(4) Doubling of the line between Kanpur and Ekdil

(5) Doubling of the Section between Malihabad and Bareilly and

(6) Doubling between Hardoi and Kabrolia

Amenities for the Travelling Public

7 The works for improving amenities for passengers include extending and raising of platforms improvement to carriages provision of fans and lighting facilities in third class carriages and on platforms provision of waiting rooms and halls better water supply arrangements and other facilities like refreshment rooms and latrines About half the provision under this head has already been spent in the first three years of the Plan

Labour Welfare and Facilities for the Staff

8 Progress on works relating to welfare of labour and facilities for the staff has been satisfactory 13 780 quarters were constructed during the first two years of the Plan of which 11 661 were for Class IV and Junior Class III Staff In the third year of the Plan i e 1953-54 over 9 000 quarters have been completed

II Roads

9 Satisfactory progress has been made in carrying out the road development programmes

National Highways

10 The Plan provides a sum of Rs 27 crores for National Highways out of which Rs 11 73 crores has been spent in the first three years The expenditure in the first two years was Rs 6 87 crores and in the year 1953-54 Rs 4 86 crores A sum of Rs 6 50 crores is budgeted for the fourth year i e 1954-55 In all 925 miles of missing links were to be taken up for construction during the Plan period of which

640 miles were to be completed during the period In the first three years 300 miles of missing links have been completed 110 miles in the single year 1953 54 At the beginning of the fourth year of the Plan work was in progress on 530 miles

As regards improvement of the existing roads work has been completed on 2 100 miles—1 350 miles in the single year 1953-54 At the beginning of the fourth year work was in progress on 1 425 miles During the Plan period 3 000 miles are scheduled to be improved

Major Bridges—

11 According to the Plan the construction of 68 bridges was to be taken up of which 40 were to be completed during the Plan period In the first three years 20 bridges have been completed 10 of them in the single year 1953-54 Work was in progress on 53 bridges at the end of 1953-54

Roads other than National Highways

12 Against the provision of Rs 424 lakhs* for the development of other than National Highways the actual expenditure during the first three years was Rs 192 40 lakhs—Rs 74 03 lakhs being the estimated expenditure for the year 1953-54 alone The provision in the current year s budget under this head is of the order of Rs 108 lakhs Against the Plan target of 230 miles 147 miles of new roads were completed in the first three years—47 miles in the year 1953-54 alone Work was in progress on 78 miles at the beginning of the fourth year As regards improvement of roads under this category 400 miles had to be taken up in the Plan period Work on 31 miles has been completed in the first three years—25 miles in the year 1953-54 From among the proposed 13 bridges on these roads one was completed in the year under review and work was in progress on 8 more

13 Progress on new construction has been on the whole satisfactory The Assam Agartala road is expected to be completed by the end of December 1954 On the Passi Badarpur road work has been completed on 45 miles as against the total length of 82 miles Work is in progress on the widening of the Pathankot Jammu road for two-lane traffic Progres on the West Coast road has been slow owing to the time taken by the State Governments concerned in finalising the development programme

*This excludes the provision for roads in Part C and D States and North East Frontier Agency Areas which also are the responsibility of the Central Government

State Roads

14. The Plan provided originally for a total expenditure of Rs 77.60 crores on State Roads. The provision has recently been increased in the case of several States and the road programmes have been further augmented with a special provision of Rs 10 crores for inter-State roads and certain other important categories of roads. The expenditure in the first three years was about Rs. 47 crores. Figures in respect of physical achievements on these roads are not available on a comparable basis. The progress in some States has been slow due mainly to the shortage of technical staff or lack of transport facilities for the movement of necessary materials. Measures have recently been considered for stepping up the progress on these roads.

Road Transport

15. With the extensive development of roads provided for in the Plan there ought to be a substantial expansion in motor transport services. The development of motor transport is essential also in order to relieve the Railways which, as stated earlier, are working under heavy pressure. For several reasons, however, the growth of motor transport has slowed down in recent years and it has become necessary to review the causes responsible for this situation. A recent examination of the problem of road transport development by the Planning Commission has disclosed the desirability of the State Governments preparing phased programmes for their nationalisation schemes and liberalising their licensing policies with a view to increasing the periods of validity of the permits in accordance with the provisions of the Motor Vehicles Act, 1939. A further detailed examination of the matter is being undertaken by the inter-departmental Study Group referred to earlier.

16. The First Five Year Plan did not accord any very high priority to nationalisation of road transport services, it being considered that the bulk of the resources of the State Governments would be devoted to other important schemes. The Plan provided for an investment of Rs 8.97 crores only by the State Governments in the public sector of transport. This investment was directed inter alia to the purchase of about 2,000 transport vehicles and the establishment by the public transport organisations in Bombay, Uttar Pradesh and Delhi of up-to-date workshops for maintenance and repair of the transport fleets. The actual expenditure on the State Governments road transport schemes in the first three years of the Plan was Rs 542 lakhs. Of this Rs 317 lakhs were spent in the third year 1953-54.

III Shipping

17 The programme for the development of hipping has proceeded rather slowly but steps have recently been taken to increase the pace of progress and to ensure the achievement of the target within the scheduled time

18 A sum of Rs 19 45 crores was provided in the Plan for the expansion of tonnage Rs 15 01 crores for loans to shipping companies and Rs 4 44 crores for Government s contribution to the capital of the Eastern Shipping Corporation The provision has now been increased to Rs 23 16 crores The total amount utilised in the first 3 years was Rs 6 54 crores only the year 1953-54 alone accounting for Rs 3 76 crores The terms of the loans were relaxed in the year under review and arrangements were finalised with the shipping companies for quickening progress on the Shipping Plan The amount expected to be utilised in the current year is Rs 5 38 crores

19 At the beginning of the Plan India had a gross tonnage of 390 707 consisting of 217 202 GRT on the coastal trade and 173 505 on the overseas trade The Plan provided for increases in tonnage of 105 000 GRT on the coastal trade (after allowing for 60 000 GRT required to replace obsolete tonnage) 70 000 GRT on the overseas trade and 40 000 GRT with the Eastern Shipping Corporation The Plan thus contemplated a net increase after allowing for replacement requirements of 215 000 GRT by the end of 1955 56 Small revisions have been made in these targets and the net overall increase now contemplated is of the order of 219 346 GRT

20 On the coastal trade an additional tonnage of 101 948 GRT was acquired during the first three years of the Plan as against the Five years target of 165 000 GRT The addition made in the year 1953-54 alone was 64 512 GRT

21 Progress on the overseas tonnage ha been slow No ship was purchased by the shipping companies in the first two years but in the year under review an addition of 14 000 GRT has been made and recently several shipping companies have finalised their programmes for the acquisition of additional tonnage

22. The Eastern Shipping Corporation has acquired 21 600 G R T in the first three years against the contemplated addition of 40 000 G R T by the end of the Plan period

Ports and Harbours

23 A sum of Rs 12 crores was provided originally for loans to major ports during the Plan period This has now been increased to Rs 15 70 crores A sum of Rs 8 60 crores is to be found from the

Ports own resources Thus the total expenditure on the development programmes of major ports envisaged during the period of five years is Rs 24 30 crores excluding expenditure on the Marine Oil Terminal Project and the Kandla Port Project which are to be financed wholly from Government funds The progress of expenditure on these programmes in the first three years is shown in the table below

The Progress of Expenditure on the Development Programme of Major Ports

(Rs lakhs)

	The provision for five years as subsequently revised.			The expenditure to the end of 1953 54		
	Central Assistance	From port own resources	Total	Central Assistance	From Port own resources	Total
Calcutta	759 00	307 83	1066 83	43 34	2 86	46 20
Madras	300 00	66 71	366 71	39 85	Nil	39 85
Cochin	94 00	54 50	148 50	13 34	2 60	15 94
Bombay	417 00	430 99	847 99	Nil	183 55	183 55
TOTAL	1570 00	860 03	-430 03	96 53	189 01	285 54
Marine Oil Terminal Project	700 00	Nil	700 00	400 49	Nil	400 49
Kandla Port Project.	1205 00	Nil	1205 00	281 00	Nil	281 00
GRAND TOTAL	3475 00	860 03	4335 03	778 02	189 01	967 03

The progress of expenditure on development programmes of ports and harbours has been slow The expenditure in the first three years was Rs 9 67 crores as against the provision in the Plan for five years of Rs 43 35 crores This is because the programmes were finalised late and also because the greater part of the expenditure is to be incurred on equipment and machinery which has been ordered and will take time to be received. The progress on individual Ports is summarised below —

24 The Bombay Port Trust Authorities have made substantial progress on some of their schemes. The Marine Oil Terminal Project started in the second year of the Plan is intended to provide but oil discharge facilities for the deep draft tankers in connect

the supply of crude oil to the two refineries Rs 400 49 lakhs has been spent on this scheme in the year 1953-54 The progress has also been satisfactory on the reconstruction of Transit sheds in the Princes and Victoria Docks where out of the 12 sheds scheduled for reconstruction seven have already been completed As regards labour housing schemes 64 self contained tenements were completed in the year 1953-54 as against the Plan target of 928 tenements Work was in progress on 304 units The Port Authorities have not been able to make any progress with their scheme for the development of the Princes and Victoria Docks and the scheme relating to the reorganisation of the electric distribution system

25 The Calcutta Port Trust Authorities during the first three years of the Plan spent about Rs 46 lakhs on their programme which is much behind schedule Expenditure has been chiefly incurred on the purchase of wagons locomotives tugs and river survey vessels and some progress made on the river training and labour housing schemes The programme on river training works has been expanded recently by including a fresh scheme for improvement of river conditions at Fulta point and Eastern Gut

26 The Madras Port Authoritie spent about Rs 40 lakhs during the first three years of the Plan and the progress on the development programme has been very slow The major schemes undertaken in the first three years were the Wet Dock and the Extension of the Sand Screen

27 At the Cochin Port the major work completed in the year 1953-54 is one coal berth south of the main wharf Work is in progress on an Oil Tanker Berth in the Ernakulam Channel and an Oil Berth in Willingdon Island

28 As regards Kandla Port Programme there has been some delay in the progress of work chiefly due to the delay in the settlement of contracts The expenditure in the first 3 years was Rs 2 81 crore the year 1953-54 alone accounting for Rs 1 50 crores The work on the Floating Dock Scheme is nearing completion and the major schemes under construction are the Bunder the Oil Berth and the Cargo Jetty

29 For the development programme of minor ports there is a separate provision in the Plan for Central Loan assistance of Rs 80 lakhs In addition an expenditure of Rs 154 56 lakhs on these programmes is provided from the State Governments resources The estimated expenditure on the minor ports to the end of 1953-54 was of the order of Rs 47 87 lakhs of which a sum of Rs 22 80 was provided by Central loans

Light Houses

30 The Plan for the development of light houses was estimated to cost Rs 400 lakhs and provided for the construction and modernisation of about 100 light houses but only half of this programme was expected to be carried out by the end of 1955 56 Progress has been rather slow In the first three years the expenditure was only Rs 17 36 lakhs of which Rs 12 lakh was spent in 1953-54 Work on 21 light houses had been completed by the end of the year 1953-54

Technical Training Schemes

31 The Plan provides for an expenditure of Rs 1 10 crores on training schemes for Marine Engineers and Merchant Navy Ratings In the first three years an expenditure of Rs 40 66 lakhs was incurred on the Marine Engineering training scheme The main buildings for the Marine Engineering College at Calcutta have been completed and the equipping of the college workshop is in progress The Ratings Training Scheme was started in 1950 with two training ships one at Calcutta and the other at Vishakhapatnam Since the inception of the scheme up till the end of the year 1953-54 a total number of 3 011 ratings were trained in the two ships The setting up of a third training institution on the West Coast is under consideration

IV INLAND WATER TRANSPORT

32 The Plan provides a sum of Rs 16 lakhs as Government contribution to the Ganga Brahmaputra Water Transport Board and the South India Water Transport Board—Rs 10 lakhs for the former and Rs 6 lakhs for the latter The Ganga Brahmaputra Water Transport Board was constituted in March 1952 Central contributions of Rs 4 lakhs have been paid to the Board in the two years 1952 53 and 1953-54 The problems of development of inland water transport are under examination by the inter-departmental Study Group referred to in the opening paragraph

V CIVIL AVIATION

33 The Plan for the development of civil aviation had two aspects—the provision of increased aerodrome and auxiliary facilities and the reorganisation and development of the air services Mainly owing to delays in the acquisition of land and the purchase of technical equipment work on the provision of aerodrome facilities has proceeded slowly As regard the reorganisation of services the two Corporations namely Air India International and Indian Airlines took over operation of the existing Airlines with effect from 1st August 1953

Works at Aerodromes

34 As against the Plan provision of Rs 10 07 crores the expenditure on the construction of new aerodromes and improvement of the existing ones in the first three years of the Plan period was Rs 3 84 crores of which Rs 1 39 crores was spent in the year 1953-54

35 A new aerodrome has been constructed at Mangalore and new airstrips completed at Kailashahar Balonia Kamalpur Khowai Shella Lilbari Sadiya and Passighat Extensive improvements have been carried out at the following aerodromes among others Santa Cruz Dum Dum Palam Gauhati Agartala Lucknow, Nagpur Amritsar Bhavnagar and Patna In addition terminal buildings have been constructed and new wireless transmitting stations put up at several stations

36 As regards equipment for air routes and aerodromes the progress in procurement has been slow the expenditure in the first three years being Rs 16 24 lakhs as against the Plan provision of Rs 67 80 lakhs Progress on the programme relating to aeronautical communication services has also been slow due mainly to the delay in the receipt of the necessary equipment Because of this delay it became necessary to set up aircraft radio equipment of low power in certain areas where the need was extremely urgent which will be replaced as the appropriate equipment becomes available

Air Corporations

37 The Five Year Plan provided for an expenditure of Rs 9 5 crores on the formation of new air corporation the payment of compensation to the existing air companies and the purchase of new aircraft The expenditure in the first three years was Rs 3 05 crores of which Rs 2 08 crores was spent in the year 1953-54 The two Corporations namely Air India International and Indian Airline took over the assets and operations of the existing Airlines with effect from 1 t August 1953 Air India International has made satisfactory progress Orders have been placed for two Comets and five Super Constellation Aircraft out of which one has already been received The total amount likely to be spent during the Plan period on account of these fresh orders will exceed considerably the provision in the Plan In the case of Indian Airlines the problems arising from the integration of different air companies have retarded progress The asse sment and payment of compensation to the air companies is now likely to be finali ed in the near future and orders for new aircraft are also expected to be placed during the current year

VI Communications

Posts and Telegraphs

38 The more important schemes under this head are (i) automatic telephones (ii) manual telephones (iii) trunk

boards and carriers (iv) telegraph development (v) post office buildings and (vi) staff quarters The provision in the Plan for the programme relating to Posts and Telegraphs is Rs 50 crores The expenditure in the first three years has been Rs 19 70 crores The progress on most of these schemes has been slow principally because of the delays which occurred in the procurement of equipment from abroad and in the construction of necessary buildings The pace of progress has however been stepped up recently

39 The major schemes of automisation and expansion relate to the Calcutta Bombay and Madras exchanges The Calcutta scheme provides for installation of 15 automatic telephone exchange with an equipped capacity of 60 000 lines at a total cost of about Rs 14 crores—the expenditure to be incurred during the Plan period is about Rs 9 crores In the first three years of the Plan about Rs 4 5 crores has been spent on the scheme As regards the Bombay Auto Expansion scheme the total expenditure envisaged is Rs 3 5 crores of which Rs 2 0 crores is to be spent in the Plan period The expenditure in the first three years has been Rs 98 lakhs The scheme envisages installation of 18 000 new automatic lines of which 15 500 lines would be completed by the end of the Plan period In all about 14 per cent of the work has been completed so far The Madras Exchange scheme aims at installation of 3 000 new lines The work done so far has been mainly the construction of buildings and laying of cables and no line has been installed so far Notable among other schemes are the Old Delhi (Tis Hazari) Exchange Rehabilitation the Bangalore Exchange Expansion and the Hyderabad Exchange Expansion The Tis Hazari Scheme provided for installation of 4 000 lines and has already been completed Work is in progress on the Bangalore and Hyderabad Schemes which provide for the installation of 4 000 and 3 000 lines respectively

40 A sum of Rs 4 45 crores was provided in the Plan for Minor Works which included opening of telegraph offices and telephone exchanges During the first three years a sum of Rs 3 45 crores has been spent on these works and 754 telegraph offices opened

41 As regards the provision of postal facilities the programme of opening post offices in villages with population of 2 000 and above was practically completed in the first two years and a new policy of opening post offices in rural areas has been evolved since then which combines a criterion of population in groups of villages and distance from the existing post office Special attention is being given to the extension of postal facilities in backward areas like the frontier and hilly tracts of Assam Tripura and States like Himachal Pradesh Rajasthan Kutch and Sikkim Andamans Vindhya Pradesh

Overseas Communication Service

42 The Plan contemplated the opening of a wireless telecommunication station at Calcutta and the expansion of the existing stations at Delhi Bombay and Madras The pilot station for Calcutta was inaugurated on March 12 1953 and construction of permanent technical and other auxiliary buildings has now been taken in hand The progress on these schemes has on the whole been slow and during the first 3 years of the Plan only Rs 23 81 lakhs had been spent out of the provision of Rs 100 lakhs Rs 15 64 lakhs of this amount was spent in 1953 54

VII BROADCASTING

43 The original Plan for the development of Broadcasting in India provided for an expenditure of Rs 3 52 crores The programme has been expanded by inclusion of schemes for installation of nine additional transmitters Some other adjustments in the Plan have been made and the location of one of the High power short wave transmitters has been changed from Calcutta to Cuttack and of a 50 kW medium wave transmitter from Allahabad to Lucknow The expenditure in the first three years on the Broadcasting programme was Rs 95 lakhs of which Rs. 61 46 lakhs was spent in the year 1953 54

44 The Broadcasting programme included installation of 50 kW medium wave transmitters at five principal stations 10/20 kW medium wave transmitters at three stations 1 kW medium wave transmitters at four stations and three 100 kW short wave transmitters one each at Madras Bombay and Calcutta In addition the Plan provided for new studio installations in Calcutta and Madras and expansion of studio facilities at the existing installations A 50 kW transmitter came into operation in Calcutta in January 1951 shortly before the commencement of the Plan During the first three years the following projects have been completed one receiving centre at Bombay one 10 kW mW transmitter at Nagpur one 10 kW mW transmitter at Gauhati one 1 kW station at Poona and one 50 kW medium wave transmitter at Bombay Two more 50 kW medium wave transmitters one at Ahmedabad and the other at Jullundur were brought very near completion during the period and have gone on the air since then Besides the work on the provision of studios and studio facilities at Trivandrum has been completed and the new studios were brought into commission in the year under review It is expected that all the remaining projects will be completed within the Plan period

Chapter XIII

EDUCATION

The figures given below show that there has been a steady increase in the expenditure on Education during the first three years of the Plan Nevertheless the total development expenditure so far incurred represents only about 45 per cent of the original provision made in the Plan and 43 per cent of the revised provision

(Rs. in crores)

	1950-51 Actuals	1951 52 Actuals	1952 53 Actuals	1953 54 Revised	1951 54 Total	Provisions 1951 56 Original	Provisions 1951 56 Revised
States	18 3	17 3	19 2	23 3	59 8	116 4	[illegible]
Centre	1 2	2 0	- 9	3 8	8 7	35 0	[illegible]
TOTAL	19 5	19 3	2 1	27 1	68 5	151 4	161 0

2 The pattern of expenditure at the Centre may be seen from the following figures of expenditure under different heads

(Rs [illegible])

Heads	1951 52 Actuals	1952 53 Actuals	1953 54 Revised	1951 54 Total	Total 1951 56 Original	Total 1951 56 Revised
1 Pre-university Education		0 55	1 73	2 S	20 00	[illegible]
2 University Education			0 0[illegible]	0 02	[illegible]	[illegible]
3 Technical & Vocational Education.	2 01	2 35	2 08	6 44	[illegible]	[illegible]
Labour & Social Service by Students.					[illegible]	[illegible]
Other Schemes			–		–	[illegible]
TOTAL	2 01	2 90	3 83	8 74	[illegible]	[illegible]

3 The pattern of expenditure in the States may similarly be seen from the figures below

(Rs in crores)

Heads	1951 52 Actuals	195 53 Actuals	1953 54 Revised	1951 54 Total	Total for 1951 56	
					Original	Revised
1	-	3	4	5	6	7
1 Administration	0 1	0 1	0 1	0 3	1 0	1 0
2 Primary Education	12 1	3 0	15 7	40 8	72 4	73 0
3 Basic Education	0 ..	0 2	0 3	0 7	1 3	1 9
4 Secondary Education	0 7	1 0	1 5	3 2	8 3	8 7
5 University Education	1 7	1 8	2 0	5 5	10	10 6
6 Technical and Vocational Education	1 6	1 6	2 1	5 3	10 ..	10 9
7 Social Education	0 2	0 8	0 8	1 8	6 1	6 4
8 Other Schemes	0 7	0 7	0 8	2 2	6 8	7 0
TOTAL	17 3	19	3 3	59 8	116 3	119 5

4 Owing to the incompleteness of the data supplied by some of the States it is not possible to state accurately what these expenditure figures mean in terms of physical targets In certain fields however a broad picture can be given of the progress achieved up to the end of 1953

5 *Primary Education (including Basic)*—The plans of all the *States put together would if successfully implemented lead* by 1955 56 to the opening of 38 059 additional primary schools (other than basic) and to 40 lakh additional pupils receiving primary education As against these targets 16 276 new primary schools attended by about 9 lakh pupils had been opened by the end of 1953 As regards basic schools as against a five year target of 9 471 schools and 27 lakh pupils the achievement by the end of 1953 was 21,9 No reliable figure regarding pupils is available

6 The Plan laid considerable stress on the remodelling and conversion of existing primary schools into schools of the basic type The progress in this direction has been slow Moreover in order to satisfy public demand ordinary primary schools of poor standard are in some places being opened and the introduction of basic education postponed on the plea that it is initially more

..t basic schools The conversion of primary schools into basic ...ols and the opening of new basic schools has been considerably ...peded by the lack of properly trained personnel and of well estab- ...hed methods and techniques and suitable guiding literature With ...ire to making good some of these deficiencies the Plan provided ... pilot projects to be undertaken in each State with the object of ...orking out concretely under favourable conditions the whole ...ept of basic education from the primary to the post graduate (training) level and developing suitable techniques of work experi ...ntally There has however been much delay in starting these ...jects None of them can yet be said to be fully functioning ...owever a good deal of preliminary work has now been completed ... many States and in some a beginning has been made with some ...th institutions contemplated

... Fund for this pilot project scheme are provided by the Centre ... the States on a matching basis but it has been felt that further ...sistance is required to enable the States to improve and expand ...c education The Central Government have therefo e recently ...cided to give as i tance to State Governments for—

(a) conversion of existing primary schools into b sic schools

(b) establishment of new basic chools

(c) improvement of basic schools which are inadequately equipped or staffed

(d) training of craft teachers and introduction of crafts in schools and

(e) preparation of teaching material for basic schools

8 The Central Government felt that th experiments conducted ... the field of rural education in Denmark might be of some help ... reorienting the system of rural education in this country In ...rder to study the Danish social policies practices and systems in ...egard to rural adult and secondary education a team of 18 Indian ...ducationists has been sent to Denmark

9 *Secondary Education*—It is not possible to asse s the progress ... econdary education in physical terms except very roughly as ... the returns received from th State no distinction is drawn ...etween different type of econdary chool e g middle schools ...igh s hools po t basic chools etc It would seem however that ... the end of 1953 96 ne econdary schools of one type or another ...ad been opened.

10 The pattern of secondary education as it should be has no become clear with the publication of the report of the Secondai Education Commission in August 1953 One of the importai recommendations made by the Commission is in regard to tl opening of a number of multi purpose schools with diversifie courses catering to the varying aptitudes, interests and abilities (different pupils which generally become manifest at the secondai school stage

11 With aid from the Ford Foundation a team consisting (selected educationists from India England Denmark and the U S A was appointed to study the existing systems of secondary educatio in three or four selected countries and to put forward specific pro posals both for the improvement of training institutions for teacher and for giving effect to the recommendations of the Secondar Education Commission This team submitted its report in May 1954

12 The Government of India have however already approved certain schemes for the reorientation of secondary education emerg ing from the report of the Secondary Education Commission and decided to make assistance available to the States for carrying em out The more important of these schemes are for the diversifica tion of cour es the revision of curricula to make provision for the effective teaching of general science social studie and crafts the improvement of school libraries the introduction of crafts in middle schools the improvement of teachers training facilities for instructors and teachers of special subjects and the organisation of refresher courses seminars and conferences of teachers and head masters

13 *Training of Teachers*—The availability of enlightened and trained teachers and educational administrators is a vital factor in toning up the whole educational system In view of the fact that on the eve of Plan the percentage of untrained primary and secondary teachers wa 41 4 and 46 4 respectively it was recom mended that the expansion of training facilities should be given a very high priority In order to turn out trained personnel to staff junior and senior basic schools the Central Government in their pilot project scheme have included a post graduate training college, a basic training school and a senior basic school for practice and de monstration in each selected area In the recent Central Govern ment schemes Reorientation of Secondary Education and Expan sion of Basic Education provision for the training of career masters basic and secondary teachers opening of new training colleges conversion of existing training schools into basic ones upgrading of training schools to training colleges and training

teachers has been made Almost all the States have their programmes for the training of teachers of different categorie progress on these schemes has been good.

14 *Technical and Vocational Education*—The progress of ex ture in respect of the technical education schemes sponsored the Central Government is indicated below

(Rs. in crores)

Name of the Scheme	1951 52 Actuals	195 53 Actuals	1953 54 Revised	1951 5 Total	Total 1951 56	
					Original	Revised
1	2	3	4	5	6	7
1 Indian Institute of Technology Kharagpur	0 83	1 03	0 74	2 60	4 65	4 73
2 Development schemes of the Indian Institute of Science Bangalore	0 28	0 24	0 16	0 68	0 89	0 89
3 Development and Expansion of 14 Engineering Institutions	0 60	0 54	0 40	1 54	1 55	1 55
4 Practical Training Stipends Schemes	0 05	0 05	0 04	0 14	0 46	0 37
5 Research Training Scholarship Scheme	0 02	0 05	0 07	0 14	0 45	0 37
6 Development of Scientific and Technical Education and Research.	0 23	0 44	0 67	1 34	4 82	9 03
TOTAL	2 01	2 35	2 08	6 44	12 82	16 94

15 From the above figures it will be seen that expenditure on e Indian Institute of Technology Kharagpur has progressed irly satisfactorily The Institute has over 750 students on the lls working in 8 department and taking both under graduate and st graduate courses In 1954-55 the enrolment will exceed 1 000

The scheme for the Development and Expansion of 14 Engineer and Technological Institutions will be completed in 1954-55 part from the increase in out turn appreciable qualitative im vement in the standards of the courses is expected

The scheme for the development of the Indian Institute of ence Bangalore s also expected to be completed towards the d of 1954 55 or beginning of 1955-56 The progress made so

includes the complete reorganisation of the department of Intern Combustion and Engineering Metallurgy and Physics the esta lishment of a Power Engineering Department and the setting up a High Voltage Engineering Laboratory

16 The All India Council for Technical Education has bee actively associated with the scheme for Development of Scientif and Technical Education and Research Under this schem grants are being made available to technical institutions for th development of facilities for po t graduate courses advanced trai ing and research the improvement of instructional facilities Engineering and Technology at the under graduate level the prov sion of facilities for part time courses and refresher courses in c operation with Industry and the provision of adequate facilities f training in certain special fields for instance printing technolog agriculture town and regional planning silk technology woolle and worsted technology industrial administration and busine management etc in which training facilities are either non existe or inadequate The progress has been fairly satisfactory but seems hardly likely that the provision made for schemes fallin under this head will be used in full Grants have been made to th All India Institute of Social Welfare and Business Managemen Calcutta and the first part time course in business management w recently started by that Institute As regards printing technolog the Council have selected three centres for the establishment c regional schools *viz* Bombay Calcutta and Madras The Counc has also made a recommendation which the Central Governmen have accepted for setting up a Central School of Town and Region Planning in collaboration with the Institute of Town Planners I the field of architecture the Jamshedjee Jeejhabhoy School of Art Bombay is being assisted to provide facilities to 25 students fror other States Grants are proposed to be made by the Centr Government to ceratin institutions providing part time trainin facilities at the under graduate level At the supervisory leve some progress has been achieved in establishing standards of trair ing by the introduction of National Certificate Courses

17 *Social Education*—Social Education is still at an exper mental stage Though good work is being done in regard to literac and cultural programmes little or nothing ha been undertaken i regard to the other aspects of social education such as increasin economic efficiency and training in citizenship As recommende by the Planning Commission a comprehensive and an integrate programme of social education is being worked out in the Com munity Projects areas and in connection with the pilot p ojects fo basic education

18 *University Education*—In the field of university education the most important event has been the setting up of the University Grants Commission in January 1954 which will enable the development of university education to be assisted throughout the country in a co-ordinated manner In the Plan though out of the total provision for education about Rs 12 crores were earmarked for university education no specific targets were set In the Central Government's Plan there was a provision of Rs 120 lakhs to assist the study of humanities in the universities The progress in this regard is slow The scheme Re earch Scholarships in Humanities included in the Central Government s Plan has been implemented Good progre s has been made by the States with their schemes and about 50 per cent of the provision for university education has already been utilised The schemes generally relate to expansion of existing Government and aided colleg s grants to universities arts and affiliated colleges post graduate courses development of oriental studie at the under graduate and the post graduate levels and provision of facilities for research and for scholarships

19 It was recommended in the Plan that at least one new type of universi y to be known as a Rural University should be established before 1955 56 No very definite steps have yet been taken by Government in this direction However with a view to linking the Basic Education Programme with higher rural institutions the Central Government in cooperation with the Ford Foundation have set up a team of educational experts—three Indians one American and one British—to undertake a careful study and apprai al of promising ideas and institution in the field of rural higher educa tion and to determine which specific projects and institutions should be encouraged to carry on experimental work for this purpose

20 *Scheme to relieve Unemployment among Educated Classes*—In August 1953 the Central Government initiated an emergency scheme to relieve unemployment among educated persons by making provision for the employment of 88 000 persons—80 000 as teachers in rural schools and 8 000 as wo k rs in urban social education centres—during the Plan period The scheme aimed at the absorption of 30 000 and 50 000 educated p rsons as teachers and 3 000 and 5 000 as social education workers during the years 1953 54 and 1954 55 respectively

It was the intention that teachers appointed under the cheme should be encouraged to take their full share in all local development activities and to assist in running village cooperatives and panchayat It was also hoped that these chools would make the best possible u e of the skilled craft already existing in the villages

for imparting training with a view to their conversion into basic schools as soon as fully trained teachers are available and necessary equipment is provided

Upto the end of March 1954 28 880 rural school teachers and 180 social education workers had been appointed The total provision for the scheme for the Plan period is Rs 12 24 crores

21 *Labour and Social Service by Students*—This is discussed in the section on 'Youth Camps in Chapter XIX

22 *Central Bureau of Text Book Research and Educational and Vocational Guidance*—In pursuance of recommendations made in the Plan the Government of India have recently set up a Bureau of Text Book Research at Delhi to make a critical survey of the current text book literature to formulate sound educational criteria and guiding principles for writing text books to prepare a comprehensive scheme of score cards rating scales and check lists for model text books and to prepare model text books

A Central Bureau of Educational and Vocational Guidance is also being set up at Delhi and 10 similar Bureaux in selected States The main functions of the Bureaux will be the compilation and publication of occupational information of various kinds standardization of tests of intelligence special aptitudes interests and other personality traits and assisting the educational institutions in organizing career Information Centres and training Career Masters For the Plan period the estimated cost of the scheme will be about Rs 12 lakhs out of which the contribution of the Central Government will be nearly Rs 8 lakhs

23 *Promotion of Hindi*—Proposals received from a number of State Governments in regard to the scheme 'Promotion of Hindi in non Hindi speaking areas have been examined by the Central Government and it has been decided to give grants for training Hindi teachers and providing Hindi teachers for basic training schools equipping libraries with Hindi books establishing Hindi Vidyalayas etc The State Governments have been asked to add Hindi departments to their existing training colleges The Central Government are drawing up detailed schemes for the publication of standard manuals on the basis of terminologies evolved and the preparation of elementary text books on scientific lines for non Hindi speaking people

24 *An Analysis of Literacy Data according to 1951 census*.—The All India percentage of literacy according to the 1951 census is 16 6 compared with 12 2 in 1941 In other words out of a population of 36 crores only 6 crores can read and write a simple letter in some language If however we exclude children below 10 years of age the percentage of literacy is 19 9 The percentage of literacy in rural and urban areas both in regard to males and females is shown below —

	All Persons	Males	Females
Rural Areas	12	19	5
Urban Areas	35	45	22
India (as a whole)	17	25	8

25 Out of the 6 crores of literate persons in India the number of literates according to different educational standards and their percentage to the total population are given below —

(Figures in lakhs)

Educational Standard	Persons	Percentage to total population (India)
Below Middle School	501 96	14 1
Middle School	52 43	1 5
Matriculate/S L C /Higher Secondary	21 55	0 6
Intermediate in Arts and Science	4 66	0 1
Degree or Diploma Holder	11 74	0 3
TOTAL (LITERATES)	592 35	16 6

*Includes graduates and post graduates in Arts or Science and Degree/Diploma holders in Teaching Engineering Agriculture Veterinary Commerce Law Medicine etc

26 The above figures only give a rough idea of the huge task lying before the country in the field of Education At the time of the formulation of the Plan it was envisaged that by 1955 56 at least 30 per cent of the people (10 per cent of women) within the age group of 14 to 40 should receive the benefit of social education in the wider sense of the term Though some progress has been achieved in the field due to the inadequate data available it is not possible at this stage to indicate the progress in terms of actual physical targets

Chapter XIV

HEALTH AND HOUSING

HEALTH

A provision of about Rs 103 crores (revised) has been made in the First Five Year Plan for the development of health services out of which the schemes of the Centre account for over Rs 20 crores and those of the States for about Rs 83 crores The Central Government s programme consists of a number of schemes which are intended to improve the standard of health of the people in the country and cover important subjects such as control of malaria, tuberculosis leprosy venereal diseases filariasis nutrition maternal and child health health education medical education and research indigenous systems of medicine and family planning The following table shows the progress of expenditure on the Centre s schemes —

(Rs in lakhs)

Total provision	1951 52 Actuals	1952 53 Actuals	1953 54 Revised	Upto March 1954
2030 18	13 90	16 79	263 65	294 34

A gross saving of approximately Rs 140 lakhs is expected under the various schemes of the Central Government during the Plan period Out of this sum about Rs 34 lakhs will be set off against additional expenditure on the sanctioned schemes for the control of T B and leprosy and for strengthening social and preventive medicine departments The remaining net saving of about Rs 106 lakhs is proposed to be utilised on the following new schemes —

	Rs (in lakhs)
1 Equipment for four T B Centres	1
2 Building for the Serologists Department and Antigen Production Unit at Calcutta	5
3 Grants to T B leprosy and other institutions	39
4 Opening of new Health Centres	50
	106

2 The States on their part have provided a sum of Rs 82 44 crores for their health schemes in the Five Year Plan The progress of expenditure on Medical and Public Health Schemes of the States is shown in the following table —

(Rs in lakhs)

Name of the Head	Plan 1951 56	1951 52 Actuals	1952 53 Actuals	1953 54 Revised	Upto March 1954
Medical	4296 01	7 0 60	781 25	837 27	2339 12
Public Health	3948 30	459 32	611 73	724 43	1795 48
					4134 60
	8244 31				

It will be seen that the expenditure during the first three years amounts to about 50 per cent of the total provision Progress has been impeded by difficulties in the procurement of supplies and shortage of trained personnel The construction of buildings is being speeded up and training facilities for medical and ancillary personnel are being expanded and it is expected that the progress in the remaining two years of the Plan will be more rapid

3 In the following paragraphs health programmes are briefly reviewed in the order in which priorities were laid down in the Five Year Plan

4 *Water Supply and Sanitation*—Water supply and sanitation have been accorded the highest priority in the Plan as a basic requirement for healthful living The State Governments have made a provision of Rs 24 crores for water supply and drainage in their Five Year Plans of which Rs 11 crores are meant for rural and Rs 13 crores for urban areas The expenditure has been of the order of Rs 5 31 crores for rural and Rs 5 52 crores for urban areas in the first three years of the Plan The total expenditure is thus about Rs 10 83 crores It will be seen that exp nditure has on the whole been behind schedule This is mainly due to lack of equipment and to difficulties in organising public health engineering services

5 To stimulate progress in this direction the Central Government have recently provided an extra Rs 12 crores from which loans will be advanced to local bodies through the State Governments for water supply and drainage schemes in urban areas The Ministry of Health have issued letters to the State Governments calling for proposals for their urban water supply

6 The problem of rural water supply is also receiving due attention The Central Government have made available about Rs 8 79 crores for this purpose under Community Projects and National Extension Service Further funds are also being found from the provision of Rs 15 crores for Local Development Works since it has been decided that out of the Rs 6 crores allotted to the States under this head in 1954-55 not less than half is to be reserved for rural water upply schemes In addition the Central Government have recently allotted another sum of Rs 6 crores for rural water supply schemes out of savings under other heads This sum is to be utilised for schemes of a comparatively costly and elaborate nature *e g* the supply of piped water for groups of villages from a common source

7 *Malaria* —Malaria is the most important public health problem in India and nation wide control of this disease has therefore been aken up The provision in the Plan is Rs 10 crores from the Centre assisted by the T C A and Rs 5 crores from the States Under the Plan the Centre has been supplying D D T prayers vehicles and anti malaria drugs The Centre has further agreed to assist the States by paying them the equivalent of the customs duty charged on imported equipment and vehicles The Malaria Institute of India provides training facilities and coordination and overall supervision of the programmes The States maintain the staff and meet the expenditure on maintenance of vehicles and equipment

8 The programme envisages the protection from malaria of 125 million people out of an estimated total population of 200 million living in malarious areas by forming 125 malaria control units each unit being designed to protect a population of about one million 90 units were sanctioned for 1953-54 and the remaining 35 units have been sanctioned for the current year Due to the savings which have accrued during the implementation of the programme it has become possible to extend the programme further and in addition to 125 units already sanctioned it is now proposed to set up 11 more units Up to the end of March 1954 63 million people have been protected from malaria and 10 63 lakh cases treated with anti malaria drugs

9 *Tuberculosis and B C G Vaccination* —T B is another major public health problem and has therefore received careful attention T B sanatoria hospitals and clinics are being increasingly provided both by the States and the Centre In 1950 there were 49 sanatoria 35 hospitals 110 clinics and 114 wards with a total bed strength of 10,371 beds Up to June 1954 there has been an addition of 16 sanatoria 25 hospitals 54 clinics and 24 wards with a strength of 4 840 beds The total number of beds now available in these various institutions

is 15,211 873 doctors 741 nurses 93 health visitors 4 social workers 52 X Ray technicians and 68 laboratory technicians are employed in these T B Institutions The three demonstration teaching clinics at Delhi Patna and Trivandrum and the Vallabhbhai Patel Chest Institute for Research at Delhi may be specially mentioned Facilities for the training of doctors, nurses etc exist in 41 T B Institutions There are 15 colonies where ex patients are *rehabi litated* after they are cured

10 There has been a steady expansion of the B C G programmes in all the States assisted by the Centre and *WHO/UNICEF by way* of technical personnel supplies and vehicles etc *The* B C G Labo-ratory at Guindy Madras supplies the required vaccine 120 teams each consisting of a doctor and six technicians are at present work in in the various States against a total of 130 teams aimed *at during* the Plan and 33 million people have been tested *and 10½* million vaccinated

11 *Filariasis*—The survey and control of Filariasis is envisaged in all the thirteen States in which it is known to be a problem by the establishment of demonstration control and survey units For this purpose a total provision of Rs *109 87 lakhs* has been included in the Five Year Plan as the Central *Government* s share of the expenditure including T C A *contribution* During the period of the Scheme there are to be 13 *control* units and 27 urvey units in operation in the 13 States *which* are infected with filariasis These units have not yet begun to operate but it i expected that they will shortly be allotted to the *States* concerned

As in the case of the National Malaria *Control* Programme the Malaria Institute of India will be *strengthened* in order to guide and co-ordinate the filariasis control wo k done in the various States

12 *Lepro y*—A very large *number* of people in the country suffer from leprosy and its *control* is a national problem The Central Government *have* drawn *up* a scheme for the control of leprosy on the lines of the programmes *for* the control of malaria and filariasis The scheme *envisages* the establishment of two types of centres *i e* (i) a treatment and study *centre and* (ii) *a* sub idiary centre *At the* treatment and study centres not only will treatment and *health education on* leprosy be given but a survey of the type of leprosy prevalent *in* the area will also be made and the result *evaluated* Necessary laboratory facilities will also be provided It is *al o contemplated* that large-scale trials should be undertaken on *the efficacy of* B C G vaccination as a prophy lactic measure *again t leprosy* At the subsidiary centres treatment on a mass cal° and health *education* will be given To tart

it has been decided to establish four treatment and study centres one in each of the States of Madras Madhya Pradesh West Bengal and Uttar Pradesh and six subsidiary centres one each in Bihar Bombay Assam Orissa Vindhya Pradesh and Saurashtra

The Government of India will bear the recurring expenditure on the scheme in full for the first six months 66⅔ per cent for the succeeding 12 months and 50 per cent for the remaining period of the Plan In addition the Centre will provide free supplies of trans port and equipment and meet the entire cost of B C G vaccination The remaining expenditure on the scheme will be borne by the State Governments concerned who will be primarily responsible for running it

13 *Maternal and Child Health Services*—Maternal and Child Health Services are the foundation round which other services should grow up Varying progress has been achieved in different States in this field The number of Maternal and Child Health Centres has increased from 1651 in 1951 52 to 1790 in 1953 54 The Central Government with the assistance of UNICEF have established a Maternal and Child Health training centre at the All India Institute of Hygiene and Public Health The Central Government have also provided Rs 50 lakhs in the last two years of the Plan period for assisting States for opening maternal and child health centres in their backward areas The Central Ministry of Health has recently sanctioned a sum of Rs 14 63 lakhs as their contribu tion during 1954 55 for opening 136 such centres in the backward areas of 16 States from which proposals have been received

14 *Family Planning and Population Control*—Family Planning and Population Control have been recognised as of supreme import ance both for the promotion of family health and for the securing of a balance between resources and population The Planning Com mission has enunciated a comprehensive programme which includes provision of family planning advice and service as an integral part of health services in hospitals and maternal and child health centres the training of personnel public education and research in the physiology of reproduction and in population problems The Ministry of Health appointed a Family Planning Research and Programmes Committee which made their recommendations to the Government in this regard These recommendations have now been accepted by the Government of India The most important of the recommendations is that grants should be made to State Govern ments and Voluntary Organisations for approved family planning programmes to the extent of Rs 30 lakhs during the two years 1954 55 and 1955-56 in order to promote governmental and voluntary effort in this field These recommendations are being implemented

as speedily as possible A centre has been set up in the laboratories of the Indian Cancer Research Centre Bombay for testing and evaluation of oral contraceptives Specific research projects in the physiology of reproduction in sub fertility and other fields have been sanctioned by the Government Steps are being taken for the establishment of the main training centre at Bombay to organise training programmes The setting up of a Council for Population Studies to promote co ordinated and planned studies in population problems is also under consideration In order to scrutinise applications for financial assistance in regard to family planning programme and to recommend to the Government of India to what extent financial assistance should be given a Family Planning Grants Committee has been constituted which met in June this year to consider requests received for assistance and recommended sanction of the following grants by the Government of India —

	(Rs in lakhs)
State Governments	1 7
Local Authorities	0 8
Voluntary organisations	0 8
Research Schemes	2
TOTAL	5 5

15 *Hospitals and Dispensaries* —Facilities for medical care are steadily expanding in all the States The Plan aimed at the addition during the Five Year Period of *48* hospitals 337 urban dispensaries 611 rural dispensaries and the addition of 10 744 beds to the bed strength available in 1950-51 As against this 20 hospitals 152 urban dispensaries 209 rural dispensaries 228 Ayurvedic dispensaries and 4 792 beds have been added during the period under review

16 *Personnel* —The lack of trained personnel has been a factor of great difficulty in the implementation of health schemes To overcome this the number of medical college has been increased from 30 to 34 As a result of starting these new institutions and expanding others training capacity has increased from about 2 400 to about 3 000 Only two medical schools are still functioning the rest having been up graded into colleges The total number of medical men registered (both graduates and licentiates) is 64 062

17 There has also been an increase in the number of institutions for the training of nurses etc The following table shows the number

of training institutions and number of pupils in the years 1950 51 and 1953 54 —

	No of Institutes		No of pupils under training	
	1950-51	1953 54	1950-51	1953 54
Nurses	141	187	1432	6159
Mid wives	156	199	1559	2288
Health Visitors	8	9	78	197
Nurse-dais	11	14	48	396
Dais	102	560	693	

The total number on the registers is Nurses 19 080 Mid wives 22 200 Health visitors 684 Nurse dais 864 and Dais 3 700

18 *Higher Medical Studies and Research*—The Central Government have a special responsibility for higher medical education and research The All India Medical Institute for which there is a provision of Rs 164 25 lakhs in the Plan is expected to materialise during the Plan period All preliminary steps have been taken and development of land and construction of staff quarters is under way The institution is meant for the training of teachers and for post graduate training and research

The question of upgrading certain teaching and research branches in existing medical colleges and research institutions was taken up to provide necessary teaching personnel for the All India Institute of Medical Sciences The Obstetrics and Gynaecology Departments Anatomy Departments and V.D Departments in Madras Medical Colleges have since been upgraded and have started functioning The Indian Cancer Research Centre Bombay and Vallabhbhai Patel Chest Institute (Delhi University) have also started functioning A number of students have been selected for admission to these institutions The Thoracic Surgery Department of the Vellore Christian Medical College and the Physiology Department Patna are expected to be formally opened shortly

19 *Drug Production*—Among measures taken for the production of drugs may be mentioned the penicillin plant which is being established at Pimpri near Poona To produce adequate quantities of insecticides for the control of malaria a D.D T factory is being established with the assistance of WHO and UNICEF The factory will have a capacity of 700 tons of D.D T per year and is expected to go into production towards the end of the current year The capacity of this factory is now proposed to be doubled Another factory

of the capacity of 700 tons per year has also been decided to be constructed to supplement the production of D.D T For the production of the other effective insecticide Benzene Hexachloride (B H C) M/s. I.C.I (India) Ltd have a plant for the production of 500 tons per annum Approval for the production of 1500 tons per annum of B.H.C has also been issued to Tatas recently

70 *Indigenous and Other Systems of Medicine*—A sum of Rs 37 5 lakhs was provided in the Plan for research in indigenous and other systems of medicine (*viz* Unani Homeopathy and Nature Cure) out of which a sum of Rs 15 32 500 will be spent on the Central Institute of Research in Indigenous Systems of Medicine Jamnagar during the Plan period The balance *i e* Rs 22 17 500 is proposed to be distributed as grants in aid to various institutions in the States that may be selected for undertaking research schemes in these systems of medicines In response to a circular letter issued to all State Governments the Ministry of Health have received a number of scheme for research in indigenous and other systems of medi ne which have been recommended by the State Governments to be financed out of the funds provided under the First Five Year Plan With a view to examining and evaluating the research scheme that have been received a special Committee is being constituted and as ion a this Committee meets final decisions as regards the alloca ion of funds to the various research institutions will be taken

HOUSING

21 A provision of Rs 38 5 crores was made by the Central Gove r ment for housing schemes including slum clearance during period of the Plan The provision was really meant to meet the cost of schemes for low income group housing for lower middle and middle class housing and for slum clearance but since these have not yet been implemented the expenditure so far incurred has been on the industrial housing schemes discussed below

22 *Industrial Housing*—Upto September 1952 the Central Government was granting interest free loans to State Governments and employers of labour for industrial housing upto two-thirds of the cost of construction Under that scheme nearly 1 500 houses were constructed during 1951 52 against central loans amounting to Rs 1 68 crores It was felt however that an adequate number of houses would not be constructed for industrial labour without some measure of subsidy and a new scheme the Subsidised Industrial Housing Scheme came into operation in September 1952 This provides for the grant of 50 per cent subsidies and 50 per cent loans to State Governments for the construction of single roomed tenements at a ceiling cost of Rs 4 500 in Bombay and Calcutta and Rs 2 700 in other towns and cities The above figures include the cost of land and its development Subsidies and loans are also offered to employers of labour and to housing cooperatives—subsidies to the extent of 25 per cent in both cases and loans upto 37½ per cent of the total cost in the case of employers of labour and 50 per cent in the case of housing cooperatives

23 Upto March 1954 loans and subsidies under this scheme had been sanctioned in favour of State Governments employers and housing cooperatives for the construction of 31 980 tenements The loans and subsidies are however actually paid only *pari passu* with the progress of construction Upto March 1954 a total of Rs 4 13 crores had been paid as subsidies and Rs 4 12 crores as loans Out of these sums the State Governments received Rs 3 79 crores as subsidies and Rs 3 66 crores as loans towards the construction of 26 409 tenements employers Rs 0 4 crores as loans and Rs 0 31 crores as subsidies towards the construction of 5 020 tenements and cooperative housing societies Rs 0 056 crores as loans and Rs 0 034 crores as subsidies towards the construction of 551 tenements Upto the end of March 1954 only 17 010 tenements out of those anctioned had been completed and the rest were at various stages of construction

24 *Other Housing Schemes*—Three housing schemes for other classe of people were included in the Plan namely (1) the scheme for low income group housing through cooperative housing societies (2) the scheme for lower middle and middle-class housing through

e companies and (3) the scheme for slum clearance and the housing of slum dwellers All three schemes are still under consideration but are expected to be finalised soon

5 *Rural Housing*—As regards rural housing it was suggested during the First Five Year Plan the Community Project Administration should undertake pilot projects in selected villages with a view to improving designs for houses based on the use of local materials The Community Projects Administration constructed ?? village houses and reconditioned 82 464 village houses in Community Development Blocks *sanctioned* in 1952 53 In 1953 54 how ... ly 105 village houses were constructed and 4 305 houses reconditioned by the Community Projects Administration

26 A rural cell and an experimental unit have been established in the Ministry of Works Housing and Supply to advise on rural ... designs and materials and to test approved building *materials* techniques in actual construction programmes

7 The National Building Organisation the establishment of which was recommended by the Planning Commission for *coordinating* research in regard to building materials *techniques etc* was set up during 1953 54

8 Besides the provision made by the Central Government ... governments altogether provided Rs 10 19 crores for housing schemes and upto the end of 1952 53 had constructed under their schemes about 4 800 houses and spent Rs 3 17 crores As regards progress in 1953 54 information available so far shows that Rs 1 92 crores were spent during this year

Chapter XV

LABOUR

During the period under review industrial relations continu to show improvement as evidenced by the decline in the number man days lost In 1951 this figure stood at 38 19 000 but fell in 19 and 1953 to 33 37 000 and 33 84 000 respectively and during the fir 6 months of 1954 has stood at 15 96 000 In January to June, 1954 th average man days lost are of the order of 2 66 000 per month whic compare favourably with 2 82 000 per month in 1953 and 2 75 000 p month in 1952

2 *Legislation*—The Plantation Labour Act came into force wi effect from 1st April 1954 The Employees State Insurance Ac 1948 has so far been implemented in Delhi Kanpur Nagpur an seven industrial centres in the Punjab Arrangements have been con pleted to extend the same to Calcutta City and Howrah Distric shortly Other industrial centres which are to be covered by th end of the current financial year are Bombay Coimbatore Indor Gwalior Ujjain and Ratlam The Industrial Disputes Act 194 continued to be the statute governing labour management relation since it was decided by Government not to introduce the new trial Relations Bill at this stage The normal period of one mont for enforcing the award of an Industrial Tribunal was extended b an Ordinance to four months in respect of the award given by th Labour Appellate Tribunal in the case of Banks Before the expir of this period Government enforced the award with some modifica tions designed to encourage banking activity in the country

3 *Industrial Relations*—The Joint Consultative Board of Industr and Labour which met in April 1954 reconstituted itself into a bi partite unofficial organisation for promoting the approach to indu trial relations accepted in the Plan The Reconstituted Board me in July 1954 and while endorsing Government s decision to defe the introduction of the new Industrial Relations Bill recommende that Section 33 of the Industrial Disputes Act 1947 and Section 22 o the Industrial Disputes (Appellate Tribunal) Amendment Act 195 should be amended The specific recommendations in this regar are—

(i) That during the pendency of the proceedings in an indus trial dispute employers may be permitted to take action against workers in terms of standing orders in matter

not forming part of the pending proceedings Where however the invocation of the extreme penalty of dismissal or discharge is necessary the employer might take action provided a month's salary is paid to the discharged employee and an immediate application is made by the employer to the appropriate authority for a decision as to whether his action was just and fair To prevent victimisation of key workers the existing protection against unilateral action by the employer should be continued for one per cent of the total number of employees in the establishment nominated by the trade union subject to a minimum of one worker per establishment

(ii) That the adjudication machinery should be stream lined to facilitate a speedy disposal of disputes A three tier system of courts should be established for administering justice to the parties without any provision for appeal each case will be taken to a tribunal of the appropriate level and disposed of once for all

The Ministry of Labour is formulating proposals to give effect to the above recommendations

4 *Wages and Social Security*—Wages have already been standardised to some extent in many of the operations in the textile engineering and coal mining industries In the plantations also there is some amount of regional standardisation of wages in regard to the larger tea gardens in Assam and West Bengal The extension of wage standardisation to the cement industry was discussed in the Industrial Committee on Cement in March 1954 and it was decided to set up Wage Standardisation Boards both at the Centre and the States for this industry

5 In order to make up for the paucity of information on this subject and also to make the standardisation schemes more scientific and to conduct studies on productivity in different industries the suggestion made in the Plan regarding the continuation of productivity studies is taking shape It is expected that after the completion of preliminary work in this connection a centre will be established in Bombay to work in close collaboration with the Central Labour Institute referred to in a subsequent paragraph

6 While the progress of the implementation of the Minimum Wages Act in some industries covered by the Act seems to be satisfactory the difficulties in respect of its further implementation were discussed in April 1954 at a meeting of the Central Advisory Board set up under the Minimum Wages Act. The Board decided that

minimum wages fixed at any centre should not fall below what the termed a national minimum The difficulties of more application of the Act to agricultural operations were appreciate but it was decided to draw up a suitably phased programme for purpose priority being given to Community Project Areas and lo wage pockets

7 Recently a Working Group consisting of representatives of th Ministries of Commerce and Industry Finance Labour and the Planning Commission has also been formed to study the problem o unemployment insurance in the country

8 *Working Conditions*—The services of an expert unit from USA were obtained for carrying out surveys of industrial hygiene in establishments manufacturing (a) bichromates (b) storage batteries and (c) refractories Some studies were also in mica mines The reports based on these investigations have been published through the organisation of the Chief Adviser of Factories In pursuance of another recommendation of the Commission steps have also been taken by some of the State Governments to strengthen their factory inspectorates Efforts are being made to promote tri partite agreements regarding working conditions in some important industries like cement jute and cotton textiles These agreements are expected to lay down standards of compliance with the provisions of the Factories Act Medical Inspectors of Factories have been appointed by the Governments of Bombay U.P and Bihar

9 In plantations in the South the question of abolishing Kangani system of labour recruitment has been engaging Government s attention for some time in pursuance of the Commission s recommendation At a meeting of the Tripartite Committee on Plantations held recently proposals have been drawn up for checking the evils of the system with a view to eliminating the system itself gradually

10 Arrangements for the Central Labour Institute to be set up in Bombay consisting of a Museum of Industrial Health Welfare and Safety Industrial Hygiene Laboratory a Library-*cum* Information Centre and a Training Centre are well under way It is expected that the construction of the building will start very soon that the laboratory wing will be completed by March 1955 and that the whole Institute will start working early in 1956

11 *Employment and Training*—The Training and Employment Services Organisation Committee appointed by Government to enquire into the whole question of the future of the Resettlement and Employment Organisation (popularly known as the Shiva Rao Committee) has submitted its report The major recommendations

ch include (a) placing the organisation on a permanent footing transferring employment exchanges and training centres to the e on the existing financial arrangements (c) rendering e tablish returns to the Exchanges on a compulsory basis by all overs and giving details regarding vacancies filled and the r of recruitment (d) bifurcation of the Directorate of Employ from a similar Directorate of Training (e) levying of a cess employers for provision of apprenticeship training etc are being dered by Government

2 The question of Rationalisation engaged the attention of Commission during the period under Report It is considered each case should be judged in the light of the safeguards sug ed in the Plan which if applied would avoid large cale dis of labour Recently some difficulties have arisen in ion with certain forms of rationalisation in the cotton textile stry and these are still under consideration

Progress of Schemes of Development

13 *Central*—Three schemes viz Central Labour Institute National Productivity Centre and Compilation of rural co t of living dices costing Rs 12 66 lakhs during the Plan period were added to the development schemes of the Ministry of Labour Thu the revised total cost of the development schemes of the Ministry of Labour now stands at Rs 409 66 lakhs instead of Rs 39 0 lakhs as originally planned The implementation of the scheme relating to Technical and Vocational Training—construction of buildings was held up pending acceptance of the recommendations of the Shiva Rao Committee on the future of training schemes of the Directorate General of Resettlement and Employment As regards the scheme relating to Training and Retraining of Retrenched Workers for alternative employment it was decid d to divert the funds ear marked for the above scheme to ease the unemployment among industrial workers It is expected that Ministry of Labour will soon frame a scheme for this purpose Schemes relating to the National Productivity Centre and the Central Labour Institute are expected to go into operation from August 1954

14 *States*—Out of the revised total provi ion of Rs 298 9 lakhs earmarked for Labour and Labour Welfare Schemes for the Plan period Rs 90 65 lakhs had been spent upto 31st March 1954 Among the manifold items included in the development schemes the strengthening of Labour Inspectorates and Concilia ion Machinery establishment of Labour Welfare Centres Adult Education and Pre- and Post Employment Training Programme occupy predominent place

Chapter XVI

SOCIAL WELFARF WELFARE OF BACKWARD CLASSES AN REHABILITATION

Voluntary Social Welfare Organizations—A sum of Rs 4 crore was provided in the Plan for making grants-in aid to Voluntar Social Welfare Organisations with a view to strengthening them an extending their existing activities and developing new programme along lines indicated in the Plan To administer this provision of Rs 4 crores a Central Social Welfare Board consisting of experienced social workers and administrators was set up in August 1953 as ar autonomous body under the Ministry of Education Of the 1 Members (including the Chairman) 6 are women

The Board appointed 3 Advisory Panels for (i) Child Welfare (ii) Women s Welfare and (iii) Welfare of the Handicapped and Delinquents to make a preliminary survey of the existing facilities The reports of the panels supplied factual material which assisted the Board in determining priorities while sanctioning grants to Social Welfare Organisations

For the financial year 1953 54 a provision of 25 lakhs was made out of which the Board sanctioned grants in a d to the extent of about 20 lakhs to 620 Voluntary Social Welfare Organisations as shown in the statement below —

Institutions aided by C S W B in 1953 54

Name of the States	Welfare Institutions	Women s Welfare Institutions	Institutions for the Welfare of Delinquents and Handicapped	General Welfare Institutions	Total No of Institutions	Total amount sanctioned
						Rs
Assam	5	7	1	36	49	1 39 300
Bihar	2	4	4	7	17	54 500
Bombay	14	29	24	28	95	3 51 000
M P	7	10	7	7	31	1,08 500
Madras	27	13	7	19	66	2,29 000
Andhra	4	24	1	14	43	1 72 000

Name of the States	Welfare Institutions	Women's Welfare Institutions	Institutions for the Welfare of Delinquents and Handicapped	General Welfare Institutions	Total No of Institutions	Total amount sanctioned
						Rs
ossa	2	7	1	6	16	48 100
Pu. ab	2	8	1	3	14	36 500
U P	6	15	11	12	44	1 64 500
W Bengal	4	-8	11	34	77	17 700
Hyderabad	4	3	3	2	1	28 000
Mysore	10	11	3	10	34	8 100
Ra as han	1	2			3	14 000
M. B	4	4	2	1	11	30,200
PEPSU		2		2	4	3 500
Saurashtra	10	14	5	13	4	66,000
Tr Cochin			-	12	19	35 100
Ajmer	1	2		1	4	12 000
Andamans				1	1	3 000
Bhopal	1	1				2 500
Coorg				1	1	5 000
Delhi	12	6	7	7	3	1 ,400
. Pradesh	2		1		3	7 000
TOTAL	x18	195	91	216	620	20 21 000

For grants in aid during the financial year 19.4-55 a provision of R 1 4 crores has been made

A small inspecting unit has been set up for watching the expenditure of the grants made by the Board

2 In order to develop voluntary social welfare work in an organized manner in every State in the Country the Board is etting up State Advisory Board Such Boards have already been established in Andhra Madras Hyderabad Travancore-Cochin Bombay Assam Madhya Pradesh and Pepsu The existence of Boards at State level will enable the Central Board to decentralise a good deal of it. routine work and ensure a closer touch with Social Welfare Institutions all over the country

3 There is an urgent need for training various types of personnel for social work and out of the provision of Rs 4 crores the Central Board has set aside Rs 10 lakhs for Central training schemes

4 The need has long been felt for complete and reliable factual information regarding social problems and welfare services in the country The Planning Commission has therefore undertaken the compilation of a Handbook on Social Welfare in India Besides articles on various aspects of social welfare by specialists the Hand book will include a directory of all Social Welfare Institutions and Agencies in India

5 *Social Legislation* —Similarly the Planning Commission has undertaken the publication of a Handbook on Social Legislation in India The importance of appropriate social legislation and its proper enforcement for bringing about progressive social changes was emphasised in the Plan The Handbook will contain an analytical study of the existing social legislation in India a comparative study of similar legislation in other countries and suggestions for amendments and modifications

WELFARE OF BACKWARD CLASSES

6 The States have their own Five Year Plans for the welfare of backward classes and their efforts are supplemented by grants in aid from the Centre 1953 54 has been a year of considerable progress of which the figures of expenditure given below afford some indication —

(Rs in lakhs)

	1951 56 Plan Provision	1951 52 Actuals	195 53 Actuals	1953 54 Revised
From States Provision	-388 6	325 10	391 10	474 10
From Centre s Grants				
(a) For Scheduled Tribes and Scheduled Areas under Art 275 (1)	1500 00	141 07	176 08	267 76 (sanctioned)
(b) For Scheduled Castes	400 00 (for (b), (c) and (d))			18 18 (sanctioned)
(c) For Ex Criminal Tribes				18 18 (sanctioned)
(d) For Other Backward Classes				9 66 (sanctioned)

7 The above figures show a gradual increase in expenditure the increase being more marked in the year under review than in the previous year *Out of the States provision a sum of Rs 1190 30*

Out of 19 crores Central Grant only Rs 7 crores have been included in the Plan The rest is given from the Consolidated Fund of India under Article 75 (1) of the Constitution

lakhs has been expended in the first three years (assuming that the budget provision for 1953-54 was utilised in full) leaving a balance of Rs 1198 30 lakhs for the next two years

The expenditure from Central grants has proceeded more slowly and the balances remaining for the last two years are comparatively higher

8 *Development Expenditure in the States*—In almost every State a separate department or unit has been set up to administer welfare schemes for Backward Classes In some of the States the staff for administration and field work still needs to be strengthened particularly on the side of social anthropology

Bihar and Orissa have set up Tribal Research Institutes where research is being done on social organisation among the tribals and means of improving their standards of living etc Madhya Pradesh is also setting up a Research Institute—a Director has already been appointed

The Research Bureau in Orissa has considered a series of problems such as—

(a) shifting cultivation

(b) relation of the new panchayat system to the former system of tribal justice and organisation

(c) incidence of disease and epidemics and study of dietary systems

(d) sorcery homicide etc

(e) how far it is practicable and desirable to replace native beverages and

(f) collection of literature on culture heroes local exploits and moral values with a view to obtaining suitable material for primers and text book in local languages

Tribal Advisory Councils have been set up in every State having tribal areas and also in West Bengal

9 The table below shows the distribution of development expenditure during the first three years of the Plan period in eight States* for which complete information is available It has not been possible to obtain separate figures of schemes intended to benefit different groups amongst the Backward Classes These figures therefore include expenditure on programmes intended for

*Bombay Madhya Pradesh Madras Orissa Uttar Pradesh Madhya Bharat Travancore Cochin and Bhopal

Scheduled Tribes Scheduled Castes the Tribes formerly known as 'Criminal Tribes and other Backward Classes

(Rs in lakhs)

Items	1951 52 Actuals	1952 53 Actuals	1953 54 Revised
Admini tration	7 6_	7 73	9 06
Agriculture and Rural Development	7 19	8 65	12 21
Roads and Communications	0 33	1 91	1 2
Education	102 61	11_ 21	168 87
Medical and Public Health	10 68	12 67	9 87
Welfare Activities	2 19	4 14	0 24
Othe Schemes	2 09	2 44	8 31
TOTAL	132 71	149 75	218 78

10 *Scheduled Tribes*—Educational schemes for the tribal people have been given due importance in all the States In addition to the opening of new schools special emphasis on the teaching of crafts hostels scholarships mid day meals clothes books etc have been provided for tribal students The following figures give an idea of the progress in 1953-54 in 13 States* for which information is available

		1953 54	1951 54
1	Basic Schools opened	34	68
2	Primary Schools opened	180	230
3	Middle Schools opened	31	80
4	Adult Education Centres	83	160
5	Hostels opened	69	80
6	Stipends given (scholarships)	9,244	2 581
7	Students given grants for books etc	3 800	30 035

As recommended in the Plan attempts are being made to impart education to tribals in their regional languages and for this purpose primers in tribal dialects are being prepared Hyderabad State has already published various primers in Banjara and other tribal dialects for use among the tribal children.

11 As many of the tribals live in remote and isolated pockets the Plan emphasised the need for the construction of roads to connect them with the nearest villages During 1951—54 962 miles of

*13 Stat s who have furnished figures are Assam Bihar Orissa West Bengal Madhya Bharat Rajasthan Travancore Cochin Ajmer Bhopal Coorg Kutch Tripura and Vindhya Pradesh

road have been constructed connecting various tribal habitations with surrounding villages of which 662* miles were constructed during 1953-54

12 Minor irrigation schemes for the benefit of the tribal population have also been included in the plans of some States During the first three years of the Plan period 7451 minor irrigation schemes were carried out of which 3508 were carried out in 1953-54 alone During the same year 40 agricultural demonstration centres were set up and 87 grain golas were established Since the beginning of the Plan 2563 tribal families have been settled on the land of whom 460 were settled in 1953-54

13 Many of the tribals suffer from deficiency diseases and to combat these free supplies of Cod liver oil and vitamin iron and other tablets have been made available by the State Governments

14 *Scheduled Castes*—As in the case of the Scheduled Tribes educational schemes have a prominent place in the programmes for the benefit of Harijans The schemes include opening new schools for Harijans giving grants to institutions for admitting Harijan students awarding stipends and scholarships and providing hostel accommodation The following table shows the progress in 1953-54

1 *Schools*—	
(i) Basic	49 Nos
(ii) Primary	16
(iii) Residential	101
2 *Adult Education Centres*—	
(i) Night Schools	84
(ii) Social Education Classes	100
3 Stipends and Scholarships	14,250
4 Grants for books etc	13,801
5 Libraries	118

15 In the past Scheduled Castes have suffered severely in respect of housing and the supply of drinking water Most States have schemes for providing them with better living quarters and wells Up to the end of March 1954 346† houses have been built and 632 housing colonies formed During the same period 755 new wells were sunk and 702 repaired But the problem of untouchability cannot be solved completely by providing better houses or sinking wells for the members of the Scheduled Castes and particular care has to be taken to see that segregation is not perpetuated by the formation of Harijan colonies

*The figures given relate only to 13 States namely Assam Bihar Orissa West Bengal Madhya Bharat Rajasthan Travancore Cochin Ajmer Bhopal Coorg Kutch Tripura and Vindhya Pradesh.

†All these figures relate to the following States only — Bihar Bombay Madhya Pradesh Orissa Mysore Himachal Pradesh U P Vindhya Pradesh Kutch Punjab Rajasthan Pepsu and Ajmer

16 *Tribes formerly classed as Criminal Tribes*—Almost all States have educational schemes for the benefit of this group The total number of such schools started in 1953 54 is 292 Stipends and scholarships are being awarded in all the States and 1619* were awarded during 1953 54 23 Adult education centres have been opened by Andhra Madras and Madhya Bharat Hostel accommodation is being provided by Bombay Madhya Bharat Saurashtra and Vindhya Pradesh 37 cottage industries training centres have been opened

Some of these tribes are still nomadic and some States have housing schemes with a view to settling them

17 *Other Backward Classes*—The report of the Backward Classes Commission is still awaited Meanwhile these classes also have been helped educationally and economically 20 363† scholarships were awarded in 1953 54 181 new schools were opened and hostel accommodation was provided for 1526 students

18 *North East Frontier Agency*—Special provision was made in the Plan for the development of the North East Frontier Agency which is the home of about 800 000 tribal people The original provision of Rs 300 lakhs was increased to 414 77 lakhs in the latter part of 1953 and a further allocation since then for vocational and technical schools has brought the total up to Rs 420 59 lakhs The expenditure incurred out of the original provision up to the end of March 1954 was Rs 99 lakhs spread over the following heads —

Head of Development	Provision in the Plan	Expenditure upto end of March 1954
I *Agriculture and Rural Development*	5[illegible] 00	28 99
1 Agriculture and Sericulture 2 Animal Husbandry (Veterinary)	32 00	16 64
3 Forests	0 00	12 35
II *Cottage Industry*	6 19	4 05
III *Social Services*	106 81	9 77
1 Education	41 81	1[illegible] 36
2 Med cal 3 Public Health	65 00	17 41
IV *Roads*	135 00	36 2[illegible]
	300 00	99 03

* These figures relate to the following States only —
Ajmer Bhopal Punjab Hyderabad Kutch Madhya Bharat U P Vindhya Pradesh Madras Orissa Mysore Rajasthan Saurashtra

† These figures relate to the following States —
Bihar Rajasthan Madhya Pradesh U P Saurashtra Madras

19. In reviewing the progress achieved in the N.E.F. Agency it must be remembered that there are difficulties which are peculiar to that part of the country. The lack of even a rudimentary net work of communications and the shortage of suitable personnel, especially technical and lower grade personnel, are formidable handicaps. In fact development in this area depends largely upon the two factors of communications and personnel. So far as the latter is concerned, the special cadre of administrative officers appointed in the year 1952-53 has been further strengthened. As for communications, 370½ miles of various roads and bridle paths had been completed by the end of the year under review. In addition to this [illegible] miles of forest roads were completed during 1953-54 and [illegible] miles more were under construction.

20. In addition to the Pasighat Community Development Block which was set up last year in the lower Miyong and Lower Padam areas in the Abor Hills District, a National Extension Service Block has also started functioning in Namsang.

21. As regards Agriculture 4611 acres of new land were reclaimed and developed for both wet rice and terraced [illegible] [illegible] 1860 maunds of various seeds and over 7000 agricultural implements were distributed to help in the improvement of agricultural methods.

22. The Veterinary Department has been further strengthened by the appointment of one Veterinary Surgeon and seven field assistants. 11,692 cases were attended to by the Veterinary staff during the year under review. Up-grading of local stock in the existing two dairy centres of pedigree bulls and cocks was continued. Two dairy centres at Tuensang and Hapoli and one poultry breeding and multiplication centre (farm) at Tezu were maintained.

23. In the field of Education 151 Lower Primary Schools, 15 [illegible] English Schools, 1 Higher English School and 3 Cottage Industries Training Centres have so far been started under the Plan. A [illegible] Teachers Training Institute has also been established and a party of 29 tribal teachers were sent on an educational tour outside Assam. 29 stipends have been awarded to students qualifying as agricultural graduates and field assistants. Five ranger graduates, veterinary graduates were deputed for training at the Forest College and six foresters were deputed for training at the Forest Rangers Dehra Dun and at the Forest Schools in Assam and West Bengal respectively. 2 stipends for training in the M.B.B.S. course 16 stipends for the compounders course and 6 stipends for the Dhai training course were awarded.

24. The expansion of medical facilities continued. A separate staff under a Senior Malaria Inspector has been appointed and 24 anti-malaria units have [illegible] under him. 4 Senior Malaria inspectors and 5 Malaria Inspectors were sent for training to the [illegible]

Malaria Institute Delhi 2 Malaria Sub Inspectors were also deputed for training in the Malaria Institute Shillong Out of 23 mobile health units and 13 itinerant units sanctioned up to the March 1954 7 and 6 respectively were sent to tour in the hills in the interior Four dispensaries have also been opened in these areas

REHABILITATION OF DISPLACED PERSONS

25 According to the 1951 Census the total number of displaced persons in India was 72 95 lakhs—47 lakhs from West Pakistan 25 49 lakhs from East Pakistan and 46 000 unspecified Subsequently about 6 55 lakh persons more arrived from East Pakistan raising the total from that area to roughly 32 lakhs of whom 26 lakhs are in West Bengal alone The total expenditure incurred upto the end of March 1954 on evacuation relief and rehabilitation of displaced persons amounted to Rs 201 02 crores as under

(Rs crores)

On Displaced Persons from West Pakistan	On Displaced Persons from East Pakistan	Loans by Rehabilitation Finance Administration	Total
138 00	55 30	7 7	01 02

26 Under the Five Year Plan Rs 85 crores were provided for certain programmes for the rehabilitation of displaced persons This was exclusive of the expenditure on relief which does not form part of the Plan and which is now confined to unattached women and children and old and infirm persons and their dependents numbering about 77 000 for whom the Central Government have assumed full responsibility The progress of expenditure on items of rehabilitation in the Plan both for West and East Pakistan u r persons is indicated in the Annexure

27 The progress of rehabilitation was reviewed in 1953-54 further provision of Rs 50 8 crores (including Rs 6 crores for to be disbursed by the Rehabilitation Finance the period 1954-56 was made This will provide funds 1 outlay on the resettlement of displaced persons the development of colonies and removal of conge houses

To meet the housing shortage in the towns large influx of displaced persons an extensive was drawn up Construction targets have been lack of proper development there has been acute these colonies In the Plan therefore a provision has been made for the period 1954-56 for the

loyment opportunities The budget for 1954-55 provides Rs 75 for setting up new industries in some selected townships built displaced persons from both West and East Pakistan

28. *Displaced Persons from West Pakistan*—Out of 47 lakh displaced persons from West Pakistan about 24 lakhs were agricul or formed part of the rural economy 4 75 lakh families settled on a quasi permanent basis on 23 8 lakh standard of land left by evacuees in Punjab and Pepsu About 33 000 were settled as tenants-at will in the above two States ddition about 56 000 families were allotted 7 63 lakh acres of uee land in other States on a temporary basis Upto the end 1953-54 Rs 9 10 crores were advanced as loans to familie who have been settled on the land

29 The provision of shelter and gainful employment was the requisite for the resettlement of 23 lakh displaced persons in ban areas About 13 lakh persons were found accommodation in acuee houses and it was proposed to build 2 lakh new residential its for the re t This programme is expected to be completed in 1954-56 To assist them to find gainful employment Ps 11 84 crores were advanced to States for grant of loans not exceeding Rs 5 000 in any one case for small scale business and industry In addition, Rehabilitation Finance Administration set up to advance loans exceeding Rs 5 000 to displaced persons for settling down in relatively bigger units of industry and business have disbursed Rs 1 72 crores to about 16 219 persons both from West and East Pakistan 61 000 evacuee and newly built shops have also been allotted to them.

30 By the end of 1953 54 63 000 displaced persons had been given echnical and vocational training and 9 500 were under training about 1 75 lakh displaced persons found employment through Employment Exchanges

31 In the field of education a sistance in the form of tuition ee and other concessions was given to displaced students upto high school classes Stipends varying from Rs 30 to Rs 60 per month were given to students for higher educational and professional training courses

32 The claims of displaced persons from We t Pakistan in respect of immovable property left by them have been verified and payment of interim compensation pending finalisation of the scheme therefor out of the Compensation Pool which consists of evacuee property left in India and certain allocations already made by the Central Government has started in the case of displaced persons of five priority categories Rs 2 6 crores in cash and kind had been paid to 12 343 claimants of these categories upto 19th ... 1954

33 *Displaced Persons from East Pakistan*—The problem of tl rehabilitation of displaced persons from East Pakistan has be in some important respects different from that of the displac persons from West Pakistan For instance evacuee property lav did not apply to the Eastern States with the result that practical no evacuee property was available for their resettlement Furthe these displaced persons showed a marked disinclination to mov out of West Bengal Besides the exodus from Ea t Pal istan w fitful and spread over a longer period

34 In West Bengal wherever possible land has been acquire reclaimed and developed if necessary and allotted to displace persons Upto the end of March 1954 2 92 lakh families had bee settled in rural areas and loans amounting to Rs 9 62 crores ad vanced to them

35 As regards loans for them in urban areas Rs 7 45 crore were sanctioned upto the end of 1953 54 to the State Government in the eastern zone for disbursement to about 70 000 displace families

36 In regard to housing due to the lack of large compact blocks of land the general policy has been to provide building sites and loans and leave the construction of houses to the displaced persons themselves Upto the end of March 1954 13 450 houses had been built by Government and 2 45 lakh by displaced persons them selves involving a total expenditure of Rs 13 34 crores.

37 Technical and vocational training facilities were provided through the centres run by the Government and through schemes for apprenticeships in Government and private factories and work shops 11 000 persons have so far been trained and 6 000 more are still under training

38 In the field of education loans and stipends have been given to 2 17 lakh displaced persons 1 134 new primary have been opened in West Bengal alone where 1 5 lakh dents are receiving free education The Government of provided Rs 117 lakhs as grants for the schools and Rs 80 lakhs as loans for the expans educational institutions.

39 In view of the slow progress made in placed persons from East Pakistan a committee Central Ministers for Finance and F Minister of West Bengal was appointed to review done and the shortcomings of the various to make general recommendations regarding rehabilitation schemes the scale of financial

and the possibilities of rehabilitation in States other than West Bengal The Committee made various recommendations in regard to the future policy of relief and rehabilitation and the modification of some of the existing schemes which had not yielded adequate results They estimated that a provision of Rs 32 crores (Rs 9 crores for grants and Rs 23 crores for loans) in the next three years 1954-57, would be necessary for implementing the rehabilitation programme on an adequate scale

Progress of Expenditure on Rehabilitation under the Plan

(Rs crores)

Heads/Schemes	1951 52 (Actuals)			1952 53 (Actuals)			1953 54 (Final Grants)			1954 55 (Budget)		
	West Pak.	East Pak	Total	West Pak.	East Pak	Total	West Pak	E st Pak	Total	West Pak	Ea t Pak	Total
Urban Loans	0 77	2 52	3 29	0 81	1 63	2 44	0 50	0 94	1 44	1 15	2 31	3 46
Rural Loans	0 90	2 1.	3 02	0 48	3 08	3 56	0 19	1 64	1 83	0 20	3 90	4 10
R. Γ A. Loans	1 31	0 57	1 88	1 05		1 05	2 50		2 50	- 40		2 40
Housing	11 84	4 29	16 13	8 76	2 80	11 56	4 42	1 46	5 88	7 08	3 19	10 27
Vocational Training }	1 26	0 26	2 47	1 17	0 27	2 01	0 50	0 22	0 72	0 50	1 80	3 05
Education }		0 95			0 57		0 94	1 38	2 32	0 75		
	16 08	10 71	26 79	12 27	8 35	20 62	9 05	5 64	14 69	12 08	11 20	23 28

Chapter XVII

RESEARCH PROGRAMMES IN RELATION TO DEVELOPMENT

1 Research is implicit in planning No informed judgment or choice regarding the best utilization of resources is possible without a full and reliable frame of facts and their inter relationships Choice of ends to some extent involves value judgments but choice of means must largely be governed by scientific knowledge The need for initiating many sided research and harnessing its results for the purpose of the planned development of the country was stressed in the Planning Commission s Report and it can be said that during the last few years planning and re earch have been closer to each other than they were in the pa t Those responsible for initiating and undertaking planned development are today more research conscious than before on the other hand tho e who were devoting themselves to research as an exclus vely academic pursuit have today a feeling that they are more actively participating in the process of development

In the sections which follow an attempt is made to give a brief resumé of the research work being done in a few of the more important branches of developmental activity

2 *Socio-Economic Research into Problems of Development*—In July 1953 the Planning Commission et up a Research Programmes Committee of economists and other social scientists for initiating and organizing research and investigations in economic social and administrative problems relating to national development The Committee decided to make the maximum use of the facilitie for re earch work in the univer ities and other institutions and that in the first instance the programme of research should be directed to the study of the following three categories of subjects

(1) Land Reforms Cooperation and Farm Management

(2) Problems relating to Regional Development with special reference to problems of rapid urbanization

(3) Economic of small establishments

3 In September 1953 the Committee reque ted all universities and other institutions to submit schemes for research into the chosen groups of problems together with detailed information about the objects of the investigation the time required for carrying it out

financial requirements etc These schemes are scrutinised and discussed by the Committee which then decides the extent of assistance to be given to each project The actual work of investigation is conducted by the university or the institution concerned Work reports are submitted every three months to the Committee to enable the Planning Commission to keep in close touch with the progress of the work

4 The Research Programmes Committee has approved 46 schemes which are now in operation The break up is as follows

Land Reforms	6
Agricultural Economics	8
Savings Investment and Employment	5
Small Scale Industries	5
City Surveys	21
Miscellaneous	1
	46

A sum of Rs 25 65 lakhs has been sanctioned as grants in aid for these schemes and payments of first and second instalments amounting to Rs 4 1 lakhs have been made

5 It was decided to maintain a register of current economic and social research in the office of the Research Programmes Committee with a view to coordinating research and avoiding duplication of work All universities and research institutions were requested in May 1954 to provide a list of research being conducted under their auspices Upto July 1954 replies have been received from 8 Universities 5 Research Institutions and 4 State Bureau of Economics and Statistics The information is being systematically tabulated and recorded

Scientific Research

6 *National Laboratories*—The Plan made a provision of Rs 373 0 lakhs to cover a part of the capital cost of various National Laboratories A further provision of Rs 5 lakhs was made for the Silk and Art Silk Research Association So far 11 Laboratories have been set up and have started functioning The foundation stone of one more—the Central Electronic Engineering Research Institute—has been laid at Pilani but no steps have yet been taken in regard to the Central Mechanical Engineering Research Institute

There is also a provision of Rs 35 lakhs for grants in aid and donations to Scientific Institutions Rs 50 lakhs for the work of the Atomic Energy Commission Rs 11 27 lakhs for the establishment of an Indian National Scientific Documentation Centre and Rs 33 92 lakhs in respect of the National Research Development Corporation

7 Out of the provision for the National Laboratories an expenditure of Rs 201 32 lakhs has been incurred during the first three years of the Plan A larger allocation of funds will be needed if various laboratories are to be fully equipped. Arrangements are being made to meet this requirement

8 The laboratories have been doing both fundamental and applied research Quite a number of investigations have been completed on a laboratory scale and in quite a few cases the processes have been developed to the stage of commercial utilisation During the period of the Plan the laboratories have obtained 93 patents for processes evolved by them In general the investigations undertaken and the programmes proposed to be taken up in the next two years are in conformity with the recommendations made in the Five Year Plan A list of the more important achievements of the laboratories is given in the Appendix.

9 The Government of India set up a Committee—the Second eviewing Committee—to report upon the activities of the Council f Scientific and Industrial Research during the past five years he Committee which submitted their report early in April 1954 ave expressed appreciation of the work done by the laboratories nd have made certain recommendations the more important of hich are reproduced below —

(1) There should be greater co-ordination of the activities of the various scientific organisations coming under the Council and active co-operation between the laboratories on the one hand and the universities and industry on the other hand

(2) There should be more active co-operation between the laboratories and Government Departments and

(3) Assistance should be given to the National Research Development Corporation to enable them to develop processes and new products

10 *Other Scientific Institutions*—Out of the provision of Rs 35 khs for grants in aid and donations to Scientific Institutions a sum Rs 8 91 lakhs was utilised during the first three years of the Plan. he grants are given to assist private scientific institutions in the construction of buildings and the purchase of equipment books etc. The buildings of the Institute of Palæo Botany at Lucknow and the National Institute of Sciences Delhi were completed with the help of grants from Government, and the Tata Institute of Fundamental Research Bombay the Institute of Palæo Botany Lucknow the Indian Association for Indian Academy of Sciences Bangalore

the Cultivation of Science Calcutta the Bose Institute Calcutta and the Institute of Nuclear Physics Calcutta have obtained equipment with the funds provided under this scheme of assistance

11 The Indian National Scientific Documentation Centre started functioning early in 1952 Out of a provision of Rs 9 93 lakhs subsequently raised to Rs 11 27 lakhs a sum of Rs 3 93 lakhs has been utilised during the first three years Besides making translations and copies of articles by scientists in India the Centre has also been in exchange relationship with scientific bodies in other parts of the world

12 The National Research Development Corporation for which a provision of Rs 33 92 lakhs has been made in the Plan came into being only on 31st December, 1953 The main object of the Corporation is to develop and exploit in the public interest inventions and patents of Government departments

13 Since the formulation of the Plan the following further schemes have been proposed for consideration —

(1) Setting up a Central Salt Research Institute

(2) Setting up a National Botanical Garden (The scheme has been approved in principle)

(3) Investigations on the production of pig iron using non coking coal (The scheme has been approved in principle)

(4) Setting up a Mining Research Institute (This is still under consideration of the Ministry)

AGRICULTURAL AND ANIMAL HUSBANDRY RESEARCH

Agricultural Research

14 The Indian Council of Agricultural Research is spending about Rs 30 lakhs annually together with a like amount contributed by the State Governments for the promotion of agricultural research Some of the achievements during recent years are briefly given below —

15 *Rice*—A large number of varieties have been produced suitable for varying environmental conditions and resistant to the attack of insect pests and diseases In Kashmir the Chinese varieties yielded 60 per cent more than other varieties and have replaced local varieties over a very large area In Punjab early and medium varieties of 110 to 130 days duration were evolved In the Central Rice Research Institute Cuttack 112 cross combinations were completed between Japanese and Indian rices and are expected to increase the yield after a few years In Madras two late blast resistant strains Coimbatore 25 and *Coimbatore 26* have been released to the farmers

16 *Wheat*—The main problem is the breeding of rust resistant types A co-ordinated rust control scheme is being run at Indore Pusa Delhi and Simla The first part of the work, which is to breed rust-resistant varieties for the three forms of rust (black brown and yellow) individually has been completed and the second part of synthesizing resistance to all the three rusts in one variety has been taken up

17 *Millets*—Breeding of jowar varieties resistant to the parasitic weed *striga* is being carried out at different stations in Madras Some promising short duration strains of bajra have been evolved giving higher yields than the local At Kanpur Sawan T 46 gave a high yield of about 2000 lbs per acre

18 *Maize*—Research on the production of hybrid seeds of maize to suit Indian conditions has been advanced to the stage of commercial production successful inbreds having given yields considerably higher than the local seed in several parts of the country A pilot survey for commercial production of hybrid seeds is being carried on with the assistance of experts from the Rockfeller Foundation.

19 *Manurial Trials*—Comprehensive manurial experimental trials on the lines suggested by Dr Stewart were conducted in the States of Madras West Bengal and Bihar during 1951 52 The scheme was extended from the 1st April 1953 to the States of Punjab Bhopal and Pepsu Fifty experiments were conducted in a district in every State on the cultivators fields to asses the reliability of the results achieved at the research stations The soils of the district concerned were also mapped

The results obtained in Madras show that the optimum yield of paddy is secured by applying a dose of 30 lbs. nitrogen per acre over a basal dressing of 4000 to 5000 tons of green manure The total available phosphoric acid content was found inadequate in many soils In Bengal 25 lbs of nitrogen gave higher yield of grain and straw Reports from other States are not yet available

20 Under the Indo-U S Technical Co-operation Programme a scheme was drawn up for conducting trials at different centres of new chemical fertilisers, such as urea ammonium nitrate triple phosphate nitro-phosphate etc to decide their relative superiority under local conditions The trials are of two types (i) storage trials and (ii) actual trials on cultivators fields The former are being carried out at 20 different godowns situated at ports storage centres and agricultural research stations The fertilisers are also being stocked in different types of bags and containers and periodical observations are being made on temperature humidity moisture

content chemical composition etc The trials on cultivators' fields are being carried out on holdings both in the community project areas and also outside such areas Out of 40 centres set up for agronomical trials 36 centres conducted the experiments during 1953-54 At four centres namely Darrang—Assam Mehsana—Bombay Mhow—Madhya Bharat and Bhagwai—Madhya Bharat the work would not be started due to demonstrative and operational difficulties At 19 community project centres simple experiments on cultivators fields were conducted nine on paddy and ten on wheat In addition complex experiments were also conducted at 17 centres out of 18 centres assigned for that work The distribution of centres according to crops were nine for paddy seven for wheat and one for jowar

Animal Husbandry

21 *Infertility in Cattle*—A preliminary survey of this problem has already been completed with the assistance of three Swedish experts A sum of Rs 7 54 lakhs will be required for this research scheme out of which a sum of Rs 3 11 lakhs is to be spent during the period of the first Five Year Plan No expenditure has yet been incurred but a good deal of preliminary work has been done The scheme envisages the establishment of six regional and one central station to study the incidence and cause of cattle infertility with a view to evolving remedial and preventive measures Eight fertility officers have been selected and sent for training in Sweden for a period of ten to twelve months in animal gynaecology and artificial insemination Seven States have also agreed o set up a Centre in animal gynaecology in their veterinary colleges

22 *Disease Control*—A pilot scheme has been finalized for eradicating rinder pest in the area from the South upto the Krishna river A sum of Rs 10 lakhs was provided in the Plan for the purpose The work has been started from the current year

Research Programmes in Irrigation and Power

23 There are about a dozen research stations in the country for irrigation development which are run by the Central and various State Governments These research stations have been in existence for sometime now and have been carrying on valuable research mainly in the field of irrigation Opportunity for discussing the results of such research and for mutual exchange of views is provided at the annual meetings of the Research Committee of the Central Board of Irrigation which has been in existence since 1931.

the Chief Engineers of all the States are members of the Board In 1951, Power was included within the purview of the Board which is now called the Central Board of Irrigation and Power

24 The scope of the research programmes in this field may be gathered from the lines of research discussed at one of the recent annual meetings of the Research Committee The subjects covered were River Control comprising flood protection and river training works as applied to a number of rivers like the Beas Ganges Sarda and Kosi at specific locations sedimentation and its control design of dams, hydraulic structures on permeable foundations soil denudation, irrigation practice water requirements of crops soil chemistry and land reclamation There were some papers also on transmission and distribution problems The research on the power side did not have the facility of laboratory research and field investigation

25 The Board of Engineering Research CSIR has constituted a sub-committee for research on wind power generation and a model unit for experimental purposes is proposed to be set up The Ministry of Irrigation and Power has now drawn up a programme of research work in the power field on insulating oils HT insulators in polluted atmosphere use of open wire fuses on high voltage lines lightening stroke on transmission lines and collection of field data on vibration of conductors for which a small grant of Rs 5 lakhs is being proposed to begin with This research is proposed to be carried out by the Central Water and Power Commission in consultation with the Power Systems the Indian Institute of Science Bangalore providing the laboratory facilities

Road Research

24 The Central Road Research Institute has been established for carrying out research work on the problems connected with the design construction and maintenance of different types of roads in India Although the Institute was only formally opened in July 1952 the work of the Institute had actually started on a small scale as early as October 1950 During the first three years of the Plan the Institute has done useful research work on the problems relating inter alia to compaction of alluvial soils mechanical analysis of soils and study of their load bearing capacities suitability of different construction materials for runways and roads and design of traffic round abouts for road crossings A test track consisting of several different surface specifications has been constructed in front of the Institute in the year under review The work of the Institute is carried on in close collaboration with the Roads Wing of the Ministry of Transport.

National Physical Laboratory

1 Metal detector for use by the customs authorities

2 Solar cooker

3 Construction of geiger counter for the study of nuclear radiation

4 Production of activated manganese

5 Stamp cancelling ink.

National Chemical Laboratory

Perfection of processes in the laboratory and ready for commercial exploitation for the production for dicalcium phosphate Vitamin C gelatin mixed nitrogen potash fertiliser photographic emulsions using indigenous gelatin and nicotin sulphate from Tobacco waste

National Metallurgical Laboratory

Proce ses ready for commercial exploitation for the production of—

1 *Low carbon ferro chrome*

2 Electrolytic manganese

3 Sillimanite refractories from Travancore beach sands

4 Successful investigations on the beneficiation of low grade ores

Fuel Research Institute

1 *Upgrading coal slurry from coal washings*

2 Study and the washability of Indian coals (being continued)

3 Hydrogenation of Assam coals

4 Development of a catalyst for Fischer Tropsech synthesis

5 Physical and chemical survey of Indian coals (being continued)

Central Glass and Ceramic Research Institute

1 Perfection of processes for commercial utilisation for the production of—

(a) Chemical porcelain

(b) Ceramic colour

(c) Signal glasses

(d) Mica insulating bricks

2 Investigations on the beneficiation of glass sands

3 Investigations on the manufacture of automobile spark plug

Central Road Research Institute

Analysis of sands concrete and their constituents investigations surface dressings soil stabilisation design of bullock cart wheel wear and failure of concrete road

Central Food Technological Research Institute

Processes developed to the stage of commercial exploitation —

1 Vegetable milk from groundnut

2 Preparation of malted milk

3 Composite protein food

4 Starch from banana stem.

Central Drug Research Institute

Investigations on medicinal plants anti biotic production from micro-organism investigations relating to tuberculosis investigations on virus diseases and on cholera

Central Electro chemical Research Institute

1 Electrolytic production of manganese metal

2. Electrolytic preparation of cuprous oxide from copper scrap

Central Leather Research Institute

1 Processes for the manufacture of shoe upper leather

2 Process for the manufacture of industrial leather picking band

3 Process for the manufacture of upholstery leather

4 Process of rapid sole leather tanning reducing the time of tanning from 3 6 months to 3-4 weeks

5 Synthetic tanning materials from coal tar distillation products

Central Building Research Institute

Processes developed to the stage of commercial exploitation —

C B R I shell houses light duty floors twin twisted steel bars for improving the strength and other qualities of reinforcing steel

Investigations on —

Stabilisation of soil using lime sludge from sugar factories control on the shrinkage in bricks by modifying the mechanical composition of raw materials the weathering quality and physico chemical properties of a number of building stones utilisation of Sindri boiler ash for making pozolanic cement and on the exfoliation of Indian vermiculite

Chapter XVIII

MANPOWER AND EMPLOYMENT

There are no comprehensive statistics for assessing the volume of unemployment in the country although a number of studies with a view to securing reliable information on the subject have been instituted since July last year The data available from the Employment Exchanges show a continuous rise in the number of persons on the Live Registers the total number registered going up from 493 000 in July 1953 to 589 000 in July 1954 an increase of about 20 per cent During the same period the number of persons seeking white-collar jobs rose from 155 000 to 198 000 an increase of nearly 28 per cent In view of the serious limitations regarding the scope and coverage of exchanges no direct inferences about quantitative changes in the employment situation can be drawn from these figures An analysis of these data however shows that among the persons registered with the Employment Exchanges there are some who are already employed but are seeking better employment It is also likely that greater use is now being made of these Exchanges by job seekers in urban areas But even allowing for these factors which may possibly inflate the absolute figures there can be no doubt that there is an upward trend in unemployment in urban areas and this has attracted attention particularly in the context of unemployment among educated persons

2 With the progressive implementation of the Plan, new employment avenues are being opened up especially in areas where large River Valley Projects and other development schemes are going forward Employment opportunities are also on the increase in the new industrial townships like Sindri Chittaranjan, etc that are coming into being The Community Projects and the National Extension Programme of rural development offer ready sources of employment not only to the local population but al o to a large number of persons willing to take up work in rural areas Schemes for employing teachers in rural areas and for setting up social education centres in urban areas which have been designed to provide employment opportunities to educated persons have progressed to some extent The Plan is thus making an appreciable contribution to the enlargement of employment opportunities

3 Viewed in this perspective the probable situation seems to be that while employment in the aggregate has been increasing in

many fields there is at the same time an increase in the total number unemployed In other words new jobs are not being created at a rate fast enough to absorb the additions to the labour force of about 1 5 million per year that accompany the increase in population There is already a large surplus population on the land only partially employed and in addition considerable overt unemployment exists both in urban and rural areas In the present situation the impact of large scale expenditure especially in rural areas will to a great extent help the underemployed to get fuller employment and may not for a time make any appreciable difference in the total unemployment

4 While it is true that in regard to total man power we have an overall surplus it has been pointed out in the Plan and in the periodical reports of the Employment Exchanges that we are in short supply to certain categories of technical personnel It is necessary to find out ways and means of locating the e shortages and surpluses and take suitable steps to deal with them in the light of our present needs and the possible enhanced requirements for the second Five Year Plan With this object in view the Commission initiated enquiries with the Central Ministries in the middle of last year The information supplied by the Ministries reveals that shortages exist in the following categories —

1 Village level workers reported by the Ministry of Food and Agriculture

2 Basic education teachers reported by the Ministry of Education

3 Health visitors public health nurses anitary inspectors reported by the Ministry of Health

4 Overseers draughtsmen skilled operators and mechanics for the operation and maintenance of heavy earth moving equipment reported by the Ministry of Irrigation and Power

5 Tool makers reported by the Ministry of Commerce and Industry

6 Experienced architects reported by the Ministry of Works Housing and Supply

7 Qualified accountants reported by the Ministry of Finance etc

5 Some of the Ministries have indicated that measures have already been taken to meet certain shortages of personnel For instance the Ministry of Food and Agriculture have undertaken the training of village level workers and training programmes have

been drawn up by the Ministry of Education to meet the requirements for basic education teachers The Ministry of Health have chalked out a training programme for ancillary health personnel such as health visitors public health nurses sanitary inspectors etc The shortages experienced in the categories mentioned above under the Ministry of Irrigation and Power are being met by training programmes conducted at the Project sites themselves The experience of the authorities in charge of Gangapur Storage Dam Nasik has shown that given the necessary guidance and incentives the raw recruits can acquire the necessary skill and experience for the operation and maintenance of heavy earth moving equipment The accent on specialisation in certain operations only has made it possible to turn out skilled and technical personnel in the required numbers in a short space of them It may also be mentioned that training programmes for technical personnel are also being initiated at the Bhakra Nangal Project under the T C M

6 These training schemes however have been drawn up only with regard to meeting shortages of personnel of an intermediate calibre and on a strictly emergency basis to avoid impeding progress of development projects A long term programme of training would be required for meeting the needs of technical personnel of a higher calibre and requiring an extended period of training But any training programme to be realistic has to be based both on the requirements of the future and the capacity for training in the existing and proposed technical institutions A beginning has been made in this field with the recent appointment by Government of the Technical Personnel Committee for irrigation and power projects This Committee has been asked to define the categories and the numbers of personnel required for the implementation of irrigation and power projects over the period of the next 15 years and also the personnel required for the maintenance of completed projects The wider aspects of manpower planning would require a more broad based study so as to include not only the requirements of development projects in a specific field but must also cover the increasing demands of an expanding national economy in all its phases

7 Another complementary approach to the study of manpower problems is being pursued by the Working Group on Manpower Studies and Technical Training set up within the Planning Commission with representatives of the Ministries of Education and Labour the Central Statistical Organisation and the Council of Scientific and Industrial Research At the instance of the Group the Commission requested the Central Ministries to supply information on the assessment of manpower requirements in relation to the Plan The information so far received does not have as wide

coverage as is necessary to permit of any generalisations on requirements in specific fields The Group has therefore decided to concentrate attention on securing more uniform data on some selected projects together with the expenditure thereon so that it would be possible to relate the expenditure on projects in different categories with the employment generated by them Wherever possible this work will be done with the collaboration of the Employment Exchange Organisation Such a selective approach was tried on some irrigation and power projects and was found useful

8 Side by side with this work an attempt was made by the Working Group to evolve a broad occupational framework covering all sectors of economic activity In arriving at this framework the Group was guided by the International Classification of Occupations prepared by the International Labour Office and the Guide to Occupational Classification drawn up by the Directorate General of Resettlement and Employment with specific reference to this country Ten broad occupational groups were agreed upon and detailed occupational titles were listed under each group This classification was left elastic in order to permit of improvement in the light of experience gained The classified information received in this manner from the Ministries left much to be desired mainly because of the non familiarity both of the Commission and the reporting authorities with these new concepts Here again it has been decided to make the classification more realistic in consultation with the reporting authorities

9 As a corollary to these studies data on technical training facilities available in educational institutions and industrial establishments have been secured through the Directorate General of Resettlement and Employment So far returns have been received from 920 training institutions trade schools and 582 returns have been received from industrial undertakings The final report of the survey is expected to be made available by the end of November 1954 and will be of particular value in considering the subject of expansion of technical training facilities and the specific sectors which require to be strengthened in the light of estimated requirements of technical personnel

Details on employment opportunities that are available for persons of different educational standards training and experience are being collected and will be of use in the preparation of 'career pamphlets

10 A reference has been made in paragraph 7 to the employment studies undertaken in respect of some irrigation and power projects On the basis of information available with the project

authorities, case studies have been prepared in regard to 4 projects[1] But it is felt that in order to have a representative picture it might be useful to undertake a few more studies (11 in all spread all over the country) and so the following projects have been marked out for detailed examination —

1 Bhakra Nangal
*2 Hirakud
*3 Tungabhadra
*4 Kakrapara
*5 Gangapur
6 Machkund
7 Manimuthar
8 Malampuzha
9 Maithon Project in the D V C
10 Arjun Dam in the U.P
11 Pathri Power House in th U P

As regards 1 the Research Programmes Committee of the Planning Commission has sanctioned a grant to the Delhi School of Economics for a preliminary survey The results of the same will be made available towards the end of this year The remaining six studies it is hoped will be completed in the next few months

11 To supplement the meagre information available on unemployment the following employment surveys have been undertaken at the instance of the Planning Commission by organisations whose names are shown in bracket —

1 A survey of persons on the Live Register of the Delhi Employment Exchange (National Sample Survey)
2 A sample survey of 4 000 households of Calcutta City (National Sample Survey)
3 A survey of unemployment in Kolhapur and Batala Evaluation Blocks (Programme Evaluation Organisation)
4 A survey of unemployment in Travancore-Cochin (Travancore University)
5 A preliminary survey in 23 sample towns scattered over the country covering approximately 4 000 sample households (National Sample Survey)

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[1] Studies already completed in the Labour & Employment Division.

Of these the results of the first four which have been reported are summarised in the following paragraphs —

(i) The Delhi Survey revealed that only 63 per cent of the men and 76 per cent of the women were unemployed and the remainder had already some kind of employment but had registered themselves with the Exchange with a view to seeking further employment assistance [illegible] per cent of the unemployed were without employment for three months or less 30 per cent for a period between 3 and 6 months and 14 per cent between six month and one year and the remaining were unemployed for a duration exceeding one year On the whole the majority of men were seeking clerical and administrative jobs and the majority of women seeking some non manual career

(ii) The Calcutta Survey showed that the working force consisted of 40 3 per cent of the population Of the aggregate working force roughly a fifth was found unemployed and half of the unemployed persons belonged to the white collar groups with qualifications ranging from Matriculation upwards indicating that though the employment situation in the area surveyed was bad enough, it was worse still in the case of the white collar groups.

(iii) In a report on the analysis of the data on unemployment collected through the Bench Mark Schedules of two of its Evaluation Blocks namely Kolhapur and Batala the Programme Evaluation Organisation has estimated that the percentage of persons offering for employment in the total population in respect of the two blocks came to 16 and 10 respectively the reasons for such low percentage being that a majority of women did not offer themselves for employment Of the persons who offered for employment 59 per cent in the Kolhapur Block and 41 per cent in the Batala Block reported unemployment. The average number of days unemployed in the case of persons who reported unemployment in the last 9 months was 42 in respect of Kolhapur and 129 for Batala A further analysis of the data according to causes of unemployment showed that illness accounted for 19 per cent of the days unemployed and a major portion of the balance was just non availability of work

(iv) The analysis of the data collected during the course of the employment survey in Travancore Cochin State reveals that 22 per cent of males and 64 per cent of females are unemployed However when allowance is made for

the fact that 2b 7 per cent among men and 79 4 per cent among women do not desire employment the resultant percentages are 16 1 for men and 13 2 for women The unemployment in both the sexes is highest in respect of families with an annual income of over Rs 1 000/ indicating thereby that the incidence is highest in the case of middle class As regards the educational standards of the unemployed the survey reveal that 73 per cent of the male unemployed persons are either illiterate or just literate 22 per cent have middle standard qualification and 3 per cent intermediates and graduates As is to be expected the incidence of unemployment is highest in the age group 15—24 As to the magnitude of unemployment in urban and rural areas it appears from the survey that though the problem is equally serious in both the areas its incidence in the urban areas is greater than that in the rural areas

12 The results of the last survey are expected shortly

13 Another survey which was organised on behalf of the Ministry of Rehabilitation wa designed to throw light on the economic conditions in the Faridabad Township The employment data contained in the report which has been prepared on the basis of a representative sample of households in this township shows that of the total population about 2 2 per cent was unemployed and a fairly large proportion of the employed population had an income of Rs 50/ pm and below

14 In addition to these specific surveys the National Sample Survey will be collecting information during the course of its normal work relating to employment and unemployment in the urban and rural areas contained in its sample The result of these surveys will start flowing in at regular intervals shortly and these will permit us to estimate the overall changes in the employment situation in the country from time to time

15 At the regional level some of the State Governments have initiated collection of employment information on a sample basis For instance the Bureau of Economics and Statistics of Bombay State have started collecting information designed to throw light on the general pattern of employment of persons both within and outside the labour force their social conditions etc throughout the State For this purpose the State was divided into eight homogeneous areas The analysis of the data for the State as a whole shows that of the total labour force about 1? per cent men and a small number of

women and children were unemployed The corresponding figures for the rural areas show that the incidence of unemployment is much lower

16 The West Bengal Statistical Bureau has divided the whole of the State into five zones results of surveys in two of which have so far been made available For the Calcutta area it would appear that the broad conclusions of this survey namely the higher incidence of unemployment among the middle class tally fairly well with those thrown up by the National Sample Survey

17 Another important set of studies in regard to investment employment relationship in units not necessarily covered by the Plan are in progress in a number of Universities in country under the auspices of the Research Programmes Committee One such scheme has already been mentioned In addition small scale industries and establishments engaged in trade transport and repair shops in a number of towns of different sizes have been selected for this purpose The places where these studies are being conducted are Delhi State Moradabad Sivakasi Salem Nasik The total expenditure which the Re earch Programmes Committee is financing in regard to these schemes is of the order of Rs 68 000

18 These are in brief some of the important studies undertaken or proposed to be undertaken by Government It is hoped that when these start yielding results a major gap in our statistical equipment for future planning will be filled

19 An analysis of the employment data furnished by the Central Ministries and State Governments in relation to the progress of the Plan has revealed a number of defects which come in the way of the effective utilisation of the material The initial difficulty lay in identifying each scheme owing to the inadequate descriptions given Employment data are not available for most of the schemes and no distinctive symbols were adopted to enable one to distinguish between schemes which do not generate employment and those for which the employment data are not available In a number of instances only the total number of persons employed without its further break-up into the three categories technical administrative and clerical, skilled and unskilled was furnished In respect of some schemes the unit of employment generated was expressed in terms of man days, while what was required was the number of persons employed. In several other cases attention was not drawn to the fact that a different unit of employment was adopted

20 A different approach to these studies is called for in view of the catalogue of deficiencies that has been listed A selective approach in the study of the employment aspect of development schemes promises greater chances of success It is intended to draw up a representative list of development schemes in consultation with the authorities executing them for detailed case studies on a uniform basis

Chapter XIX

PUBLIC CO OPERATION AND PARTICIPATION

The support of the people and their enthusiastic participation in the implementation of the Plan are the principal force and sanction behind it One field in which people of the rural areas can play a direct part are the Community Projects Their progress has already been described in Chapter IV Similarly the steps taken to assist voluntary organizations in working for social welfare have been described in the section on Social Welfare in Chapter XVI In the present Chapter something is said of various other measures adopted with a view to creating and developing a sense of direct partnership in the fulfilment of the Plan

2 *Local Development Works*—A very important and practical step in this direction is the inauguration of the Local Development Works Programme This programme provides for the meeting of small but urgent requirements of the rural areas which have remained neglected mainly for want of financial help While providing for financial aid the programme seeks to utilise the voluntary services of the people themselves They are thus made to feel that they are directly participating in schemes designed for their own betterment and that the Plan is something very real A sum of Rs 15 crores was provided in the Plan for works of this nature They cover the ordinary requirements of a village Typical examples of them are—

(a) drinking water supply schemes

(b) permanent works for the improvement of agriculture

(c) permanent works for the improvement of rural sanitation

(d) village roads including small bridges and culverts

(e) improvement to school or dispensary buildings where such institutions already exist but are inadequately housed and

(f) construction of godowns for the storage of goods

One of the definite conditions for a grant is that there should be adequate arrangements for the maintenance of the work after its completion for it has been found that much money and effort can go to waste due to lack of facilities for proper maintenance The programme of local development works is intended to prepare people for the wider responsibilities of the national extension movement

3 The budget provision made for the local works programme in 1953-54 was Rs 3 crores From this provision Rs 2¾ crores were allocated to the State Governments on a population basis The balance was retained by the Centre as a reserve The State Governments are free to select and execute local works of approved types upto the limit of the allocation made to them each year without reference to the Centre The State Governments are required only to furnish to the Centre quarterly progress reports on the works approved by them indicating the extent of the Central grant utilised for them and the corresponding local contributions

4 The settlement of the necessary preliminary financial and other arrangements took a little time with the result that the programme could be effectively taken in hand only in the latter part of the year 1953 54 Progress report from the States have also been somewhat low in coming in From the material received so far it appears that out of approximately 15 000 works estimated to cost Rs 4½ crores approved by the State Governments about 6 500 schemes have been completed or were in progress at the end of the year The total expenditure incurred on these works is of the order of Rs 288 lakhs of which about Rs 137 lakhs represent Central grant The local contribution appears to be of the order of Rs 151 lakhs Full details regarding the peoples contribution the State Government contribution and the Central grant are not available in respect of some schemes These figures are *therefore* tentative at this stage

5 A broad analysis of the schemes completed and in progress indicates that the largest number of them are for augmenting water supply Village approach roads *bridges* culverts schools dispensaries come next in that order

6 Out of the Central reserve of Rs 50 lakhs grants to the extent of Rs 6 lakhs were sanctioned *upto* the end of the year for 114 works estimated to cost nearly Rs 11 lakhs As most of the works were sanctioned late in the year few of them had been completed by the end of it

7 The budget provision for 1954-55 for the local works programme is Rs 6 crores i e double of what it was in 1953 54 and has been allocated in full to the State Governments in proportion to their population In view of the crying need in some rural areas for adequate and protected drinking water 50 per cent of this provision for the current year is to be reserved for rural water supply schemes

8 *Labour Service Camps for Students*—A sum of Rs 1 crore was provided in the Plan for labour and social service camps for

the object being to enable students to participate directly in constructive tasks and to bring home to them forcefully the dignity of manual labour Detailed proposals for the utilisation of this amount had not been finalised in 1953 54 but in the mean time grants totalling Rs 1 2 lakhs were made from the provision for local development works towards the expenses of about 40 students' camps organised last year in different parts of the country by schools colleges the Bharat Sewak Samaj State Governments etc. Over 11 000 students took part in these camps during their vacations and helped in the construction of village roads repair of tanks and other useful work Since May 1954 grants of Rs 3 lakhs have been sanctioned for students camps organised through University and Voluntary Youth Welfare Organisations In addition a sum of about Rs 5 lakhs will be available during the current year for grants to the Universities for the construction of works which will be of direct benefit to the students themselves and for which hey themselves offer free volutary labour So far a grant of Rs 95 000 has been granted to the Poona Nagpur and Agra Universities for the construction of 5 swimming pools and 3 open air theatres

9 *Bharat Sewak Samaj*—The Bharat Sewak Samaj which is a non official and non political body was created with the specific object of organising and developing the voluntary efforts of the people in carrying out the purpose of the Plan It was inaugurated in 1952 and in the first two years of its existence has established 32 Pradesh branches and 400 district branches Its total membership is about 1,25 000 It has a large and varied programme which includes organizing voluntary labour for local work work in community projects and sanitary drives running students camps, adult education centres women s welfare centres and children s clubs and conducting economic surveys of villages so as to assist planning from below In Madhya Pradesh a school for training social workers where 50 students are at present trained is run under its auspices The Bharat Sewak Samaj publishes a fortnightly magazine in Hindi and English called Bharat Sewak and recently has started two experimental information centres at Delhi and New Delhi to educate the public in regard to the Five Year Plan and its objectives Proposals for opening more centres at Ahmedabad Ajmer Meerut, Hyderabad Nagpur etc are under consideration in the light of the experience gained by the working of the Delhi Centres

10 *Women s Savings Campaign*—The Women s Savings Campaign organised in 1953 secures the direct participation of women in the execution of the Plan A Central Committee for advising Government on this campaign was set up in 1953 and its efforts have helped a great deal in bringing knowledge of the Plan and its purpose to

every home On the recommendation of the Committee 86 organisations have been appointed authorised agents for the collection of small savings and 15 more have been approved for appointment A sum of Rs 38 lakhs has been collected through the Women's Savings Campaign Although owing to certain initial difficulties about the payments to be made to the agent organisations the amount collected so far is not spectacular there are indications that the movement is gaining strength

11 *Integrated Publicity Programme*—The message of the Plan is being carried into every home in the language and symbols of the people through field publicity units exhibition units and song and drama units The expenditure on this programme upto March 1954 was of the order of Rs 13 lakhs and the estimated expenditure for the current year is nearly Rs 44 lakhs

With the help of State Publicity Vans much work has already been done at fairs and melas 32 mobile vans which will carry documentary films radio receivers etc have been ordered and when received will enable the work to be intensified A full scale exhibition on the Five Year Plan was arranged in connection with the meeting of the Colombo Plan Consultative Committee in Delhi in 1953 Exhibits and material were also sent to exhibitions organised in the States Two Exhibitions trains—one for the broad and one for the metre gauge—carrying models charts posters etc relating to the Five Year Plan left Delhi for an all India tour in July 1953 The tours were at first to be for a period of 6 months but have been extended from time to time and are now expected to continue till the end of this year Film shows with commentaries in various regional languages are arranged at all the stations where the Exhibition Trains halt

The song and drama programme was inaugurated with a play "Hamara Gaon" staged by the Three Arts Club at Bahadurgarh and Delhi It is proposed to intensify this activity in close co-operation with the State Governments by affording subsidies to dramatic troupes prize competitions for plays short songs, etc

In addition to 14 documentary films, posters, folders and slides, 36 pamphlets were issued in various languages during 1953-54 and 17 have so far been brought out during this year Special programmes with emphasis on the Plan are being arranged. To supplement Governmental efforts, the grant of assistance on a small scale to voluntary agencies undertaking publicity for the Five Year Plan is being considered

ANNEXURES

STATEMENT I—*Progress of Development Expenditur und r the Plan—Centre & States*

(Rs lakhs)

Head of Development	Central Government							States						
	Progress of Expenditure					Five Years Total		Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	1952 Plan	Plan including Adjustments	1951 5- (Actuals)	195 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	195 Plan	Plan including Adjustments and Scarcity Area Programmes
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
I *Agriculture & Community Devel opment—*														
Agriculture	187 5	380 3	755 0	1322 8	2481 3	5922 2	7884 3	2128 1	1838 9	1931 4	5898 4	2027 -	12490 0	1 033 7
Animal Husbandry including Dairying		10 5	13 1	23 6	39 6	412 0	252 0	249 5	257 9	303 1	810 5	327 0	1816 5	1815 6
Forests			2 8	8	44 4	200 0	100 0	87 3	103 8	156 5	347 6	229 1	960 4	1016 8
Co-operation			0 5	0 5	20 0	50 0	50 0	76 3	69 1	89 7	235 1	103 7	661 2	588 4
Fisheries		0 8	11 4	12 2	33 0	50 5	100 0	43 5	35 2	40 4	119 1	63 1	414 1	383 1
Rural Development														
Community Projects		144 0	786 0	930 0	2404 9	9000 0	9000 0	122 0	122 5	168 0	41 5	213 8	1046 6	1150 3
Local Works			00 0	200 0	600 0	1500 0	1500 0							
Programmes f r scarcity affected areas			450 0	450 0	400 0	1500 0	1500 0							
TOTAL	187 5	535 6	2218 8	2941 9	60 3 2	8634 7	20386 3	7 6 7	2427 4	2689 1	7823 2	2963 9	17397 8	6987 9

I *Irrigation and Por er—*														
Multipurpose Projects	3347 0	4181 0	5563 0	13091 0	7683 0	26590 0	25590 0	2586 8	3153 3	3672 5	9412 6	5474	16769 7	21356 7
Irrigation Pro) cts								2237 5	2445 1	2823 1	7505 7	3593 7	12751 0	14735 3
Power P ojects														
TOTAL	3347 0	4181 0	5563 0	13091 0	7683 0	26590 0	25590 0	4824 3	5598 4	6495 6	16918 3	9067 9	9523 7	3609 0
II *Tra port & Comm ic t o s—*														
Ra lways	4086 0	3018 0	3926 0	11030 0	6500 0	5000 0	25000 0†	1165 6	1555 7	1967 3	4688 6	2745 5	7763 6	9006 1
Roads	382 8	422 6	560 0	1365 4	758 0	3124 0	4124 0	76 9	247 5	218 3	542 7	249 5	896 9	1023 4
Road Transport	38 2	18 8	54 8	111 8	103 0	1805 8‡	2176 9‡							
Shipping	02 7	94 4	592 5	889 6	594 0	287 0	287 0							
C il Av ati n	147 4	151 3	435 7	734 4	997 0									
l orts & Har bours	81 0	55 2	771 1	907 3	1304 5	3206 4	4004 3	4 7	5 8	17 1	27 6	36 9	102 4	161 1
Inland Water Transp rt	2 0		2 0	4 0	4 0	10 0	16 0							
Posts & Tele graphs	553 0	617 0	800 0	1970 0	1200 0	5000 0	5000 0							
B oadcasting	22 8	10 8	61 4	95 0	142 3	352 0	631 6							
Overseas Com munic tions	4 8	3 4	15 6	23 8	43 0	100 0	100 0							
Meteorological Department	2 8	10 9	7 6	21 3	21 2	62 0	62 0							
TOTAL	5523 5	4402 4	7 6 7	17152 6	11667 0	40947 2	43401 8	1247 2	1809 0	2 02 7	5 58 9	3031 9	8762 9	10190 6

A sum of Rs 10 7 crores has been shown under the U P Plan on account of Tube \ ell Pr gramme under T C M in that State

\ sum of Rs 10 cro es has been t ken out and added to the Plan of the Ministry of Food and Agriculture for the Tube well Scheme

†Does not include the expenditures to co er the depreciation of existing as ts

‡Expenditure on Road Transport in Delhi State is shown under the Central M nistry of Transport The revised allocation under the Plan is Rs 276 lakhs

STATEMENT I—*Progress of Development Expenditure under the Plan—Centre & State*

(Rs lakhs)

Head of Development	Central Government: Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total: 1952 Plan	Plan including Adjustments	States: Progress of Expenditure 1951 5 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total: 195- Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Industry—														
Large scale Industries	46 4	56 1	474 0	1782 5	2194 2	12657 3	12426 0*	259 7	179 7	378 5	817 9	380 6	1422 1	1673 3
Small scale & Cottage Industries	14 3	9 3	9- 8	136 4	313 0	1500 0	1750 0	120 2	126 5	147 8	394 5	256 8	1194 0	1234 7
Scientific & Industrial Research	84 7	97 2	71 8	253 7	120 1	461 0	619 3							
Mineral Development.	1 44	5 9	12 3	19 6	36 1	106 1	106 1							
TOTAL	846 8	694 5	650 9	19 2	2663 4	14724 4	14901 4	379 9	306 2	526 3	1212 4	637 4	-616 1	2908 0
Social Services—														
Education	201 5	290 3	413 6	905 4	1472 2	3901 6	4550 8**	1721 3	1923 9	2325 7	5970 9	609 4	11637 7	11945 9
Health	13 9	16 8	263 7	294 4	760 8	1787 4	2030 1	1139 6	1277 6	1467 2	3884 4	1920 8	8233 1	8743 7
Housing	83 0	133 4	305 7	522 1	1300 0	3850 0	3850 0	114 4	202 8	191 8	509 0	248 4	1017 3	1051 1
Labour & Labour Welfare	46 2	48 1	51 4	145 -	60 7	397 3	410 0	30 -	8 3	32 0	90 5	48 9	299 8	298 9
Welfare of Backward Classes Scheduled Castes & Tribes,		2 4†	137 5†	139 9†	301 0†	700 0	700 0	325 1	390 9	474 2	1190 2	627 4	2186 5	2388 6
TOTAL	344 6	491 0	1171 9	2007 5	3894 7	10636 3	11540 9	3330 6	3823 5	4490 9	11645 0	5454 9	23374 4	24428 2

VI Rehabilitation	2679 0	2062 0	1469 0	6210 0	2328 0	8500 0	1298 0							
VII Works & Buildings	23	144 6	107 3	275 1	450 5	1102 3	1352 3							
VIII Development Programmes under Finance Ministry	78 8	75 1	148 2	302 1	378 4	489 6	918 9							
IX. North East Frontier Agency	22 2	7 2	49 6	99 0	97 0	300 0	420 6							
X. Programme for Development of Andaman Islands			19 9	19 9	35 8	382 8	382 8							
XI Loans to Corporations			200 0	200 0	400 0	1200 0 600 0	1 00 0							
XII Miscellaneous								194 6	6 57	339 1	550 2	390 0	1149 3	1211 8
GRAND TOTAL	13052 6	1 613 4	18825 3	44491 0§	35621 0	124107 3	133065 0‡	12683 3	13981 6	16743 1	43408 0§	21546 0	828 3	2 91818 5

An amount of Rs 4 5 crores has been taken out and added to the provision for development of Major & Minor Ports

— Includes progress of expenditure amounting to Rs 25 lakhs in 1953 54 and Rs 150 lakhs in 1954 55 for Social Welfare against a provision of Rs 4 crores in the Plan

† This is in addition to grants under Article 275(1) of the Constitution amounting to Rs 9 crores during 1951 56 shown as normal expenditure.

‡ Now added to the Plan of the Ministry of Food & Agriculture on account of (i) T C M Tube wells Rs 5 5 crores and (ii) Fisheries Development—Rs 0 5 crores

§ The discrepancy between three years expenditure on the Plan as indicated here and as on Page 311 is due to the difference of Rs 5 crores in the three years expenditure for composite Madras and the total expenditure for this period for residuary Madras Andhra and the Bellary District

Statement II—*Progress of Development xpenditure in States*

(b) By States

(Rs Lakhs)

State	Progress of Expenditure					Five Years Total	
	1951 5- (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	195 Plan	Plan including Adjustments and Scarcity Area Programmes
1	2	3	4	5	6	7	8
Andl ra	1058 0	1008 9	950 6	3017 5	1483 5		6365 5(i)
Assam	122 3	188	317 9	628 4	636 8	1749 2	1960 5
Bihar	1338 1	966 1	981 1	3 85 3	1637 0	5729 1	6619 1
Bombay	2 50 8	2816 1	3384 3	8451	3580 6	14643 3	15230 6
Madhya Pradesh	673 4	490 3	804 1	1967 8	914 9	4308 2	4441 4
M dras	1457 6	1527 6	1469 9	4455 1	1677 0	14084 1(ii)	8361 1(iii)
O issa	238 1	273 9	333 0	845 0	483 1	1784 2	1917 2
Punjab	10	224 9	562 7	997 8	804 6	20 0 7	27 7 7
Uttar Pradesh	1548 8	1941 6	2365 4	5856 0	28 3 9	9782 3	11442 6
West Bengal	1015 8	1 10 4	1432 0	3658	156 4	6909 7	721 3
Total A States	9913 1	10648 2	12601 0	33162 3	15663 8	61010 8	66 78 6
Hyderabad	662 9	620 6	830 1	-113 3	953 5	4155 0	4574 0
Madhva Bharat	183 4	252 9	39 8	8 9 1	568 3	4 0	345 7)
Mysore	7- 7	831 2	766 6	2330 5	938 0	3660 2	4680 1(iv)
Pepsu	69 4	103 0	190 0	362 4	219 2	814 6	919 7
Rajasthan	200 6	2 3 4	388 1	81 1	750 8	1681 4	24-1 4
Saurashtra	276 6	387 0	404 -	1067 8	6,2 8	2040 9	3 0 0
Travancore Cochin	407 5	468 9	46 0	1338 4	576 -	2731 9	3135 1
Total B States	-52 8	887 0	3443 8	8853 6	4678 8	173 6 0	0396 0
Jammu & Kashmir	91 5	119 4	180 8	391 7	307 6	1300 0	1553 5
Ajmer	10 0	11 6	17 1	38 7	55 1	157 2	182 2
Bhopal	41 -	63 7	10, 4	210 3	150 5	389 9	484 8
Bilaspur	2 1	4 3	11 1	17 5	14 1	57 1	57 1
Coorg	10 2	8 3	16 6	35 1	23 7	73 0	116 9
Delhi	34 5	64 8	76 3	175 6	118 9	748 0	844 2
Himachal Pradesh	10 0	40 5	74 4	124 9	1 1 8	454 6	507 3
Kutch	16 5	57 8	49 6	123 9	87 8	305 3	325 3
Man pur		14 2	22 7	36 9	31 6	154 8	154 8
Tripura	4	15 6	38 8	58 (	77 4	207 3	2 (8
Vindhy Pradesh	7 2	45 6	106 1	178 9	214 9	639 2	691 0
Total C States	155 9	326 4	518 1	1000 4	895 8	3186 4	3590 4
Grand Total	1 683 3	13981 0	16743 7	43408 0	21546 0	82823 2	91818 5

(i) And ıra Stat Plan as approved by th Plannin Commission in February 1954

(ii) Ilon of composite Madras

(iii) As approved f r the Residuary Madras State

(iv) Inclusive of the de elopment l la ı of the B llary D strict

Statement II—*Progress of Developm nt Expenditure in States*

(a) By Heads of Development

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actu als)	1952 53 (Actu als)	1953 54 (Revi sed)	1951 54	1954 55 (Budget)	1952 Plan	Plan inclu din Adjust ments & Sca city Area Prog rammes
1	2	3	4	5	6	7	8
Agricultu e	1 8 1	1838 9	1931 4	5898 4	027 2	12490 0	12033 7
Animal Husbandry	123 4	114 0	153 2	390 6	245 0	1035 5	1053 8
Da rying & Milk Supply	126 1	143 9	14) 9	419 9	82 0	781 0	761 8
4 Fo ests	87 3	103 8	156 5	347 6	229 1	969 4	1016 8
5 Co opeart on	76 3	69 1	89 7	235 1	103 7	661 2	588 4
6 F heries	43 5	35	40 4	119 1	63 1	414 1	383 1
7 Rural Development	122 0	122 5	168 0	41 5	213 8	1046 6	1150 3
I Agriculture & Rural Development	706 7	2427 4	2689 1	78 3 2	2963 9	17397 8	16987 9
1 Irrigation Projects	2586 8	3153 3	3672 5	9412 6	5474 2	16769 7	21356 7
2 Power Projects	237 5	2445 1	2823 1	7505 7	3593 7	12754 0	14735 3
II Major Irrigation & Power Projects	48 4 3	5598 4	6495 6	16918 3	9057 9	9523 ,	36092 0
1 Cottage Industries	120 2	126 5	147 8	394 5	256 8	1194 0	1234 7
Other Industries	59 7	179 7	378 5	817 9	380 6	1422 1	1673 3
III Industry	379 9	306 2	526 3	1212 4	637 4	2616 1	2908 0
1 Roads	1165 6	1555 7	1967 3	4688 6	2745 5	7763 6	9006 1
2 Road Transport	76 9	247 5	218 3	542 7	249 7	896 9	1023 4
3 Ports & Harbours	4 7	5 8	17 1	27 6	36 9	102 4	161 1
IV Transport	1247	1809 0	2 02 7	5258 9	3031 9	8762 9	10190 6
1 Education	1721 3	1923 9	2325 7	5970 9	2609 4	11637 7	11945 9
2 Medical	675 1	679 1	739 3	2093 5	1066 6	4274 7	4511 9
3 Public Health	464 5	598 5	727 9	1790 9	854 2	3958 4	4231 8
4 Housing	114 4	202 8	191 8	509 0	248 4	1017 3	1051 1
5 Labour & Labour Welfare	30 9	28 3	32 0	90 5	48 9	299 8	298 9
6 Welfare of B ck ward Classes	5 1	390 9	474 2	1190 2	627 4	2186 5	2388 6
V Social Services	3330 6	3823 5	4490 9	11645 0	5454 9	23374 4	24428 2
Miscellaneous	194 6	16 5	339 1	550 2	390 0	1148 3	1211 8
Grand Total	12683 3	13981 0	16743 7	43408 0	21546 0	828 3 2	91818 5

STATEMENT III—*Progress of Development Expenditure in States*

I ANDHRA

(Rs Lakhs)

Head of Development	Progress of Expenditure 1951 5 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	195	Five Years Plan Total Plan including Adjustments & Scarcity Area Programmes.
1	2	3	4	5	6	7	8
1 Agriculture	136 0	137 8	112 2	386 0	61 6		661 4
2 Animal Husbandry	11 8	7 0	6 2	25 0	8 5		49 2
3 Dairying and Milk Sypply	3 8	3 5	2 4	9 7	3 7		14 2
4 Forests	4 4	1 4	1 1	6 9	2 4		16 2
5 Cooperation	3 6	3 3	1 8	8 7	3 0		477
6 Fisheries	1 5	1 5	1 3	4 3	1 0		1 0
7 Rural Developm nt	16 9	1 0	-7 6	45 5	-4 1		95 3
I AGRICULTURE & RURAL DEVELOPMENT	178 0	155 5	152 6	486 1	104 3		905 0
1 Irrigation Projects	214 0	241 0	137 0	59 0	500 0		1 09 0
2 Power Projects	365 0	33- 0	399 4	1096 4	516 2		041 0
II MAJOR IRRIGATION & POWER PROJECTS	579 0	573 0	536 4	1688 4	1016 2		3 50 0
1 Cottage Industries	- 5	3 8	2 8	9 1	4 8		46 3
- Other Industries	8 6	8 3	13 8	30 7	10 9		46 3
III INDUSTRY	11 1	12 1	1(6	39 8	15 7		9 6
1 Roads	82 6	53 0	44 6	180 2	30 3		-48 4
2 Road Transport							
3 Ports & Harbours							
IV TRANSPORT	82 6	53 0	44 6	180 2	30 3		48 4
1 Education	36 9	41 8	37 9	116 6	56 4		3-2 8
2 Medical	17 6	14 8	22 -	54 6	55 3		115 6
3 Public Hea th	84 9	95 9	73 2	254 0	139 1		573 1
4 Housing	-4 1	18 9	19 6	62 6	32 7		148 0
5 Labour & Labour Welfare							
6 Welfare of Backward Classes							220 0
V SOCIAL SERVICES	43 8	43 9	47 5	135 2	33 5		1369 5
MISCELLANEOUS	207 3	215 3	200 4	623 0	317 0		
GRAND TOTAL	1058 0	1008 9	950 6	3017 5	1483 5		6365 5@

*Shown under the Plan of composite Madras

@ Andhra State Plan as approved by the Planning Commission in February 1954

STATEMENT III—*Progress of Development Expenditure in States*—Contd

2 ASSAM

(Rs Lakhs)

ıd of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Year's 1952 Plan	Total Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
Agriculture	42 1	63 6	59 0	164 7	67 3	276 1	3 6 1
- Animal Husbandry	1 5	1 2	1 9	4 6	5 9	1- 5	14 8
3 Dairying and Milk Supply							
4 Forests	6 5	7 0	7 5	21 0	0 2	36 3	52 1
5 Co-operation			- 1	1	6 9	9 3	15 3
6 Fisheri s	0 8	1 0	1 9	3 7	3 0	6 0	8 9
7 Rural Development	14 9	0 7	-1 0	56 6	20 0	39 3	98 0
I AGRICULTURE & RURAL DEVELOPMENT	65 8	93 5	93 4	252 7	123 3	399 5	515 2
1 Irrigation Projects	0 9	7 7	23 7	32 3	109 4	-00 0	152 2
2 Power Projects		0 3	7 6	7 9	52 2	83 0	157 6
II MAJOR IRRIGATION & POWER PROJECTS	0 9	8 0	31 3	40 2	161 6	283 0	408 8
1 Cottage Industries			0 8	0 8	5 8	25 0	11 1
2 Other Industries							
III INDUSTRIES			0 8	0 8	5 8	25 0	11 1
1 Roads	- 4	15 9	6 0	74 3	116 0	213 0	265 0
2 Road Transport	8 9	9 5	18 5	36 9	20 3	31 9	62 1
3 Ports & Harbours							
IV TRANSPORT	11 3	25 4	74 5	11 2	136 3	244 9	327 1
1 Education	7 0	6 4	21 3	34 7	34 8	89 9	101 -
2 Med cal	18 3	18 0	30 3	66 6	40 1	173 5	176 6
3 Public Health	0 7	0 7	1 0	2 4	3 8	17 8	10 1
4 Housing					1 3	6 0	2 6
5 Labour & Labour Welfare							
6 Welfare of Backward Cl sses	18 3	36 2	65 3	119 8	129 8	509 6	407 8
V SOCIAL SERVICES	44 3	61 3	117 9	223 5	09 8	796 8	698 3
MISCELLANEOUS GRAND TOTAL	1 2 3	188 2	317 9	628 4	636 8	1749 2	1960 5

STATEMENT III—*Progress of Developm nt Exp nditure in States*—contd

3 BIHAR

(Rs lakhs)

Head of) v opment	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	195 Plan	Plan includ ing Adjust ment and Scarc ty Area Pro-grammes
1	–	3	4	5	6	7	8
1 Agriculture	324 0	142 6	14 1	608 7	249 5	1284 3	1284 3
2 Animal Husb ndry	1– 3	11 6	10 6	34 5	17 5	92 5	9 5
3 Dairying and Milk Supply	0 4	0 3	0 3	1 0	0 3	1 5	1 5
4 Forests	2– 3	15 0	–0 9	58 2	30 3	125 0	125 0
5 Co operation	5 3	(6	8 3	20 –	5 3	39 0	39 0
6 Fisheries	1 4	1 4	3	5 1	– –	10 6	10 6
7 Rural Development	12 6	17 3	2 3	5–	36 1	124 7	124 7
I AGRICULTURE & RURAL DEVELOPMENT	378 3	194 8	206 8	779 9	341	1677 6	1677 6
1 Irrigation Projects	173 5	150 1	85 0	408 6	186 7	973 3	13 3 3
Power Projects	78 0	150 5	153 4	381 9	360 8	708 7	973 7
II MAJOR IRRIGATION & POWER PROJECTS	251 5	3 0 6	238 4	790 5	547 5	168 0	2 9 0
1 Cottage Industries	4 4	5 7	8 6	18 7	13 5	59 2	59
2 Other Industries	– 0	8 1	25 7	35 8	–0 6	60 0	60 0
III INDUSTRY	6 4	13 8	34 3	54 5	34 1	119 –	119 2
1 Roads	202 1	20 4	178	582 9	340 4	800 0	107 0
2 Road Transport							
3 Ports & Harbours							
IV TRANSPORT	20 1	202 4	178 4	5°2 9	340 4	800 0	1,075 0
1 Education	126 2	100 –	127 3	353 7	136 6	570 4	570 4
Medical	110 1	53 5	53 5	–17 1	84 9	403 9	403 9
3 Public Health	38 7	44 7	56 3	139 7	56 –	196 0	196 0
4 Housing	5 0	–0 0	28 0	53 0	20 0	100 0	100 0
5 Labour & Labour We fare	2 9	0 6	3 6	7 1	14 5	20 0	20 0
6 Welfare of Backward Classes	34 9	35 5	54 5	124 9	61 6	160 0	160 0
V SOCIAL SERVICES	317 8	–54 5	323 –	895 5	373 8	1450 3	1450 3
MISCELLANEOUS	182 0			18 0			
(Civil Works)	1338 1	966 1	981 1	3285 3	1637 0	57 9 1	661, 1
GRAND TOTAL							

*Five year provision for Civil Works is includ d under various heads of development

STATEMENT III—*Progress f D v lop nent Exp nditure in States*—Contd

4 BOMBAY

(Rs lakhs)

ad of Development	Progress of Expenditure 1951 5- (Actuals)	1952 53 (Actuals)	1953 54 (Re ised)	1951 54	1954 55 (Budget)	Five Years' 1952 Plan	Total Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	258 6	97 0	416 1	971 7	97 6	1748 4	1748 4
Animal Husbandry	25 1	15 8	17 5	58 4	20 2	166 9	166 9
3 Dairying & Milk Supply	107 2	1-2 5	116 6	346 3	56 4	602 1	602 1
4 Forests	8 3	12 1	11 3	31 7	20 7	83 8	83 8
5 Co-operation	20 2	20 2	18 5	58 9	16 9	123 2	1 3 2
6 Fisheries	2 0	0	9	6 9	3	16 0	16 0
Rural Development	15 8	14 3	19 8	49 9	14 8	131 5	131 5
AGRICULTURE & RURAL DEVELOPMENT	437 2	483 9	60 7	15 3 8	430 3	2871 9	2871 9
Irrigation Projects	68 6	227 6	618 6	1115 0	714 4	269 0	2856 3
Power Projetca.	-53 0	288 9	213 1	55 0	199 9	1043 0	1043 0
MAJOR IRRIGATION & POWER PROJECTS	5 1 6	516 5	831 9	1870 0	914 3	3312 0	3899 3
Cottage Industries	10 5	10 7	11 0	3- 2	33 5	103 0	103 0
Other Industries	2 7	3 1	33 9	59 7	7 4	250 6	250 6
I INDUSTRY	13 2	13 8	44 9	71 9	40 9	353 6	353 6
1 Roads	1 3 3	398 6	511 2	1083 1	695 9	1163 6	1163 6
2 Road Transport		166 2	1 1 5	278 7	100 0	200 0	200 0
3 Ports & Harbours	0	0 4	6 7	7 3	15 1	5 0	25 0
IV TRANSPORT	173 5	565	630 4	1369 1	811 0	1388 6	1358 6
1 Education	816 6	897 5	94 5	2661 6	984 5	4632 0	4632 0
2 Medical	114 4	86 4	87 2	88 0	1 3 4	536 4	536 4
3 Public Health	1 7 3	156 4	179 3	463 0	196 5	1116 7	1116 7
4 Housing	1 4	6	19 8	53 8	27 0	77	77 2
5 Labour & Labour Welfare	8 8	9	5 8	3 8	6	141 3	141 3
6 Welfare f Backward Classes	36 8	54 6	34 8	126 2	50 1	213 6	213 6
V SOCIAL SERVICES	1105 3	1236 7	1274 4	3616 4	1394 1	6717 2	6717 2
MISCELLANEOUS							
GRAND TOTAL	50 8	816 1	3384 3	8451 2	3580 6	14643 3	15230 6

Un l r dis ι s on w h the Stat Go e nmert.

STATEMENT III—*Progress of Development Expenditure in States*— ontd

5 MADHYA PRADESH

(Rs lakhs)

Head of Development	Progress of Expenditure				Five Years		Total
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	195	Plan including Adjust ments & Scarcity Area Pro-grammes
(1)	(2)	(3)	(4)	(5)	((6)	(7)	(8)
1 Agriculture	142 6	111 6	132 4	386 6	81 0	1005 5	1005 5
2 Animal Husbandry	14 8	13 3	14 1	42 2	20 6	98 8	98 8
3 Dairying & Milk Supply	5 8	5 7	6 6	18 1	9 9	36 9	36 9
4 Forests	7 9	7 2	7 5	22 6	9 0	40 8	40 8
5 Co-operation	2 4	1 9	2 2	6 5	2 1	28 8	28 8
6 Fisheries	0 7	0 9	1 0	2 6	1 2	5 8	5 8
7 Rural Development	7 4	8 2	3 4	19 0		165 9	165 9
I AGRICULTURE & RURAL DE VELOPMENT	181 6	148 8	167 -	497 6	123 8	1382 5	1382 5
1 Irrigation Projects	10 2	2 5	84 2	96 9	94 2	308 0	308 0
2 Power Projects	172 2	78 7	110 0	360 9	190 0	600 0	700 0
II MAJOR IRRIGATION & POWER PROJECTS	182 4	81 2	194 2	457 8	284 2	908 0	1008 0
1 Cottage Industries	1 5	1 8	3 3	6 6	2 9	9 2	9 2
2 Other Industries	65 4	25 0	98 9	189 3	85 3	226 2	226 2
III INDUSTRY	66 9	26 8	102 2	195 9	88 2	235 4	235 4
1 Roads	45 2	44 6	44 6	134 4	38 5	200 0	200 0
2 Road Transport							
3 Ports & Harbours							
IV TRANSPORT	45 2	44 6	44 6	134 4	38 5	-00 0	200 0
1 Education	108 8	116 5	175 4	400 7	23- 7	1079 3	1079 3
2 Medical	64 6	44 8	42 6	152 0	46 4	267 9	67 9
3 Public Health	8 4	11 8	42 6	62 8	26 5	78 -	78 2
4 Housing					4 0	20 0	20 0
5 Labour & Labour Welfare			0 1	0 1	0 1	0 5	0 5
6 Welfare of Backward Classes	15 5	15 8	35 2	66 5	70 5	136 4	169 6
V SOCIAL SERVICES	197 3	188 9	295 9	682 1	380 2	1582 3	1615 5
GRAND TOTAL	673 4	490 3	804 1	1967 8	914 9	4308 2	4441 4

STATEMENT III —*Progress of D velpom nt Expenditure in States*—Contd

6 MADRAS

(Rs lakhs)

d of Development	Progress of Expenditure 1951 52 (Actual)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Tota 1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	191 7	156 7	178 6	527 0	198 0	1593 7	90 2
2. Animal Hu bandry	6 3	7 0	8 4	21 7	7 0	100 0	56 2
3. Dairying & Milk Supply	2 7	5 5	0 9	9 1	2 0	50 0	12 9
4 Forests	3 4	4 3	7 2	14 9	4 0	38 8	74 3
5 Co-operation	- 5	7	4 0	9 2	4 0	100 0	17 1
Fisheries	13 2	6 3	5 1	24 6	6 0	100 0	49 0
Rural Development	11 5	13 6	4 9	30 0		200 0	30 0
AGRICULTURE & RURAL DEVELOPMENT	231 3	196 1	209 1	636 5	2 1 0	182 5	1141 7
Irrigation Projects	411 0	416 0	313 0	1140 0	564 0	3408 0	2043 5
Power Projects	43 0	453 0	561 0	1446 0	496 0	50 4 0	2781 0
MAJOR IRRIGATION & POWER PROJECTS	843 0	869 0	874 0	2586 0	1060 0	8 432 0	4824 5
Cottage Industries	13 1	14 4	(—) 6 2	1 3	(—) 1 0	116 9	44 4
Other Industries	31 3	4 2	22	78 2	16 0	85 1	128 1
I INDUSTRY	44 4	38 6	16 5	99 5	15 0	202 0	172 5
Roads	92 8	72 9	53 4	219 1	54 0	500 0	357 6
Road Transport							
3 Ports & Harbours							
IV TRANSPORT	92 8	72 9	53 4	219 1	54 0	500 0	357
1 Educations	43 3	56 5	99 6	199 4	8 0	800 0	493 8
2 Medical	29 9	110 6	3 1	172 6	54 0	300 0	47 8
3 Public Health	59 5	76 8	65 2	201 5	59 0	900 0	518 5
4. Housing	36 7	35 5	33 4	105 6	42 0	300 0	189 6
5. Labour & Labour Welfare							
6 Welfare of Backwa d Classes	76 7	71 6	86 6	234 9	90 0	467 6	415 7
SOCIAL SERVICES	246 1	351 0	316 9	914 0	327 0	2767 6	1865 4
MISCELLANEOUS							
GRAND TOTAL	1 457 6	1 527 6	1,469 9	4,455 1	1 677 0	14 084	8361 17†

Plan of composite Madras
†As approved for the residuary Madras State

STATEMENT III—*Progress of Development Expenditure in states*—Contd

7 ORISSA

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	1952 Plan	Plan including Adjustment and Scarcity Area Programme
1	2	3	4	5	6	7	8
1 Agriculture	-7 8	26 6	-1 3	75 7	34 8	205 5	203 0
2 Animal Husbandry	4 4	5 3	6 2	15 9	6 3	52 8	36 9
3 Dairying and Milk Supply	1 5	2 1	1 6	5 2	2 0	9 2	9 2
4 Forests	1 1	1 2	2 1	4 4	4 7	13 1	17 2
5 Co operation	0 8	0 6	0 6	2 0	1	8 9	5 1
6 Fisheries	7 3	4 7	4 3	16 3	6 0	33 4	30 2
7 Rural Development						10 0	
I AGRICULTURE & RURAL DEVELOPMENT	42 9	40 5	36 1	119 5	55 0	35 9	301 6
1 Irrigation Projects	63 8	53 6	54 1	171 5	60 0	300 0	300 0
- Power Projects	58 6	58 6	72 6	189 8	158 -	391 0	456 5
II MAJOR IRRIGATION & POWER PROJECTS	122 4	112 2	1 6 7	361 3	218 2	691 0	756 5
1 Cottage Industries	4 7	6 0	5 0	15 7	5 5	7 6	3 4
2 Other Industries	6 2	13 0	13 6	32 8	16 2	65 3	93 9
III INDUSTRY	10 9	19 0	18 6	48 5	1 7	92 9	126 3
1 Roads	17 6	25 8	42 1	85 5	62 5	200 0	2 8 9
2 Road Transport	2 2	12 6	10 5	25 3	19 6	20 0	45 1
3 Ports and Harbours						1 0	1 0
IV TRANSPORT	19 8	38 4	52 6	110 8	8 1	1 0	78 0
1 Education	13 1	25 8	41 6	80 5	46 4	179 5	172 3
2 Medical	7 6	7 6	10 6	5 8	11 5	78 7	58 1
3 Public Health	6 2	9 8	2 9	38 9	16 6	46 4	106 0
4 Housing							
5 Labour& Labour Welfare	0 2	0 3	0 5	1 0	0 6	1 9	3 6
6 Welfare of Backward Classes	14 3	19 7	22 7	56 7	30 4	116 4	111 3
V SOCIAL SERVICES	41 4	63 2	93 3	202 9	105 4	4 2 9	451 3
MISCELLANEOUS	0 7	0 6	0 7	2 0	0 7	3 5	3 5
GRAND TOTAL	238 1	273 9	333 0	845 0	483 1	1784 2	1917 2

STATEMENT III—*Progress of Development Expenditure in States*—Contd

PUNJAB

(Rs Lakhs)

Head of Development	Progress of Expenditure: 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total: 1952 Plan	Plan including Adjustments and Scarcity area Programmes
1	2	3	4	5	6		8
1 Agriculture							
2 Animal Husbandry	53 9	54 0	34 5	142 4	50 7	210 7	221 5
3 Dairying and Milk Supply	3 4	3 5	3 9	10 8	4 6	2 0	20 0
4 Forests							
5 Co-operation	3 2	2 0	3 1	8 3	3 1	1 0	14 2
6 Fisheries	2 3	2 3	2 2	6 8	2 2	11 8	11 1
Rural Development					24 2		48 4
I AGRICULTURE & RURAL DEVELOPMENT	62 8	61 8	43 7	168 3	84 8	262 5	315 2
1 Irrigation Projects	86 1	95 7	49 7	231 5	101 4	3?6 2	396 0
2 Power Projects	6 3	10 3	5 8	71 4	153 7	38	300 2
II MAJOR IRRIGATION POWER PROJECTS	92 4	106 0	104 5	2 9	55 1	364 4	786 2
1 Cottage Industries	6	6 9	7 4	1 0	1 0	48 1	47 2
2 Other Industries	2	2 0	1 5	5 7	1 8	15 5	7 6
I INDUSTRY	8 9	8 9	8 9	26 7	13 8	63 6	54 8
1 Roads	19 7	18 5	18 7	56 9	109 0	75 1	310 6
2 Road Transport							
3 Ports and Harbours							
IV TRANSPORT	19	18 5	18 7	56 9	109 0	75 1	310 6
1 Education	13 1	14 6	51 9	79 6	21 2	118 0	121 3
2 Medical	0 8	9 3	1 8	28 9	21 3	73 9	84 5
3 Public Health	6 5	5	3	15 4	5 9	50 1	34 0
4 Housing						11 3	
5 Labour & Labour Welfare		0 1	0 2	0 3	0 4	1 8	1 1
6 Welfare of Backward Classes							
V SOCIAL SERVICES	26 4	29	68 1	124 2	48 8	55 1	240 9
MISCELLANEOUS			318 8	318 8	353 1	1000 0	10 0 0
GRAND TOTAL	0 2	2 4 9	562 7	997 8	864 6	20 0 7	2727 7

Some minor adjustment i the revi d State Plan ar und r discussion w
Planning Commission

9 UTTAR PRADESH

(Rs Lakhs)

Head of Development	Progress of Expenditure 1951 5- (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 1952 Plan	Plan including Adjustments and Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	353 9	269 4	224 3	847 6	254 7	2095 9	165 5
2 Animal Husbandry	11 9	15 7	30 3	57 9	35 9	134 1	137 5
3 Dairying & Milk Supply	4 1	4 3	4 5	12 9	- 3	20 6	24 1
4 Forests	12 6	24 4	31 8	68 8	33 2	165 2	141 8
5 Co operation	-5 5	25 7	24 6	75 8	25 2	130 7	130 7
6 Fisheries	0 1	0 7	1 4	- -	1 1	6 2	6
7 Rural Development							
I AGRICULTURE & RURAL DEVELOPMENT	408 1	340 2	316 9	1065 2	352 4	2552 7	209 8
1 Irrigation Projects	-45 9	524 2	717 7	1487 8	934 6	1912 0	3168 4
2 Power Projects	225 5	325 8	463 5	1014 8	519 4	1411 0	2106 8
II MAJOR IRRIGATION & POWER PROJECTS	471 4	850 0	1181 2	2502 6	1454 0	3323 0	5275 2
1 Cottage Industries	54 9	53 9	60 1	168 9	63 8	301 5	308 7
- Other Industries	5- 6	60 4	89 6	202 6	96 8	280 7	3 5 0
III INDUSTRY	107 5	114 3	149 7	371 5	160 6	582 2	633 7
1 Roads	101 3	106 2	137 5	345 0	168 9	522 2	522 4
2 Road Transport	26 6	30 9	18 0	75 5	50 6	120 0	130 0
3 Ports & Harbours							
IV TRANSPORT	127 9	137 1	155 5	420 5	-19 5	642 2	652 4
1 Education	302 3	324 3	368 7	995 3	392 1	1603 9	1783 3
2 Medical	51 5	61 6	64 4	177 9	78 6	350 0	363 4
3 Public Health	19 4	33 8	38 5	91 7	45 8	246 1	190 3
4 Housing	0 1	6 7	7 8	14 6	27 0	145 2	45 6
5 Labour & Labour Welfare	18 1	17 9	20 8	56 8	23 9	101 5	105 9
6 Welfare of Backward Classes	42 5	55 9	61 5	159 9	70 0	-35 5	300 0
V SOCIAL SERVICES	433 9	500 2	562 1	1496 2	637 4	2 682 2	2788 5
MISCELLANEOUS							
GRAND TOTAL	1548 8	1941 8	2365 4	5856 0	823 9	9782 3	11442 6

STATEMENT III—*Progress of D velopment Expenditure in States*—Contd

10 WEST BENGAL

(*Rs Lakhs*)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 5 (Actu als)	1952 53 (Actu als)	1953 54 (Re vised)	1951 54	1954 55 (Budget)	1952 Plan	Plan including Adjustments and Scarcity Area Programmes
1	2	3	4	5	6		8
1 Agriculture	134 5	131 1	143 6	409 2	148 8	688 1	742 7
Animal Husbandry	15 5	13 8	21 1	50 4	20 6	74 7	74 7
3 Dairying and Milk Supply			17 0	17 0	0 4	50 0	50 0
4 Forests	[illegible] 6	8 9	15 7	[illegible] 2	18 7	78 8	78 7
5 Co-operation	13 3	13 [illegible]	11 4	[illegible] 9	18 2	154 5	154 5
6 Fisheries		0 2	0 1	0 3	0 7	3 0	3 0
7 Rural Development							
I AGRICULTURE & RURAL DEVELOPMENT	170 9	167 2	208 9	547 0	07 4	1049 1	1103 7
1 Irrigation Projects	190 1	302 4	375 7	868 2	435 9	1537 8	1543 3
2 Power Projects	25 0	27	18	71 0	4 4	75 8	75 8
II MAJOR IRRIGATION & POWER PROJECTS	215 1	330 1	394 0	939 2	440 3	1613 6	1619 1
1 Cottage Industries	5 8	4 8	6 4	1 0	7 9	74 3	91 3
2 Other Industries	6 8	7	9 9	4 4	13 5	42 1	42 4
III INDUSTRY	12 6	12 5	16 3	41 4	21 4	116 7	133 7
1 Roads	12 6	251 4	66 6	30 6	280 7	1385 1	1401 6
2 Road Transport	34 0	16 8	33 3	84 1	29 0	190 5	2 0 5
3 Ports & Harbours							
IV TRANSPORT	240 6	268 2	99	814 7	309 7	1575 6	1622 1
1 Education	11 1	1 0	145 9	385 9	158 7	808 1	823 1
2 Medical	173 9	168 8	208 6	551 3	265 2	1210 2	1210 2
3 Public Health	44 9	49 7	87 6	180 2	80 4	304 7	318 7
4 Housing	41 7	82 2	69 3	193 2	77 9	223 4	373 4
5 Labour & Labour Welfare		3 8	1 5	5 3	1 4	8 3	8 3
6 Welfare of Backward Classes							
V SOCIAL SERVICES	3 0 6	432 4	512 9	1315 9	583 6	2554 7	2733 7
MISCELLANEOUS							
GRAND TOTAL	1015 8	1210 4	1432 0	3658 2	1562 4	6909 7	7212

11 HYDERABAD

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 1952 Plan	Plan including Adjustments and Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	56 4	29 5	33 5	119 4	40 0	346 4	346 4
2 Animal Husbandry	0 2	1 0	2 7	3 9	2 8	49 6	49 6
3 Dairying and Milk Supply	0 3			0 3		1 7	1 7
4 Forests	2 8	0 1	4 4	7 3	4 3	21 4	21 4
5 Co operation	0 9	1 1	4 9	6 9	4 6	35 3	35 3
6 Fisheries	0 7	0 8	1 0	2 5	1 0	8 6	8 6
7 Rural Development							
I AGRICULTURE & RURAL DEVELOPMENT	61 3	32 5	46 5	140 3	52 7	463 0	463 0
1 Irrigation Projects	393 9	453 7	544 7	139- 3	610 7	-479 0	2779 0
2 Power Projects	72 4	72 2	81 9	226 5	107 1	320 6	320 6
II MAJOR IRRIGATION AND POWER PROJECTS	466 3	525 9	6-6 6	1618 8	717 8	2799 6	3099 6
1 Cottage Industries	3 0			3 0	40 0	-5 7	25 7
2 Other Industrie	70 7	3 6	40 2	114 5		268 7	268 7
III INDUSTRY	73 7	3 6	40 2	117 5	40 0	294 4	294 4
1 Roads	28 7	17 4	37 1	83 2	51 6	128 6	247 6
2 Road Transport							
3 Ports & Harbours							
IV TRANSPORT	28 7	17 4	37 1	83 -	51 6	1 8 6	247 6
1 Education	17 2	26 5	50 9	94 6	63 5	263 5	263 5
2 Medical	12 3	12 3	19 2	43 8	18 7	117 7	117 7
3 Public Health	3 1	2 4	9 6	15 1	9 2	88 2	88 2
4 Housing							
5 Labour & Labour Welfare							
6 Welfare of Backward Classes							
V SOCIAL SERVICES	32 6	41 2	79 7	153 5	91 4	469 4	469 4
GRAND TOTAL	662 6	6 0 6	830 1	2113 3	953 5	4155 0	4574 0

STATEMENT II—*Progress of Development Expenditure in States*—Contd

12 MADHYA BHARAT

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953-54 (Revised)	1951 54	1954 55 (Budget)	1952 Plan	Plan including Adjustments And Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	39 0	52 7	57 4	149 1	82 8	750 0	538 1
2 Animal Husbandry	1 4	2 9	6 1	10 3	6	0 0	53 0
3 Dairying and Milk Supply							
4 Forests	0 4	4 5	5	12 6	18 7	50 0	50 0
5 Co-operation		0 5	4	7 9	8 5	25 0	25 0
6 Fisheries	0 4	0	1 5	2 6	2 8	10 0	7 5
7 Rural Development	5 4	13 9	33 5	52 8	44 2	60 0	141 3
AGRICULTURE AND RURAL DEVELOPMENT	46 6	75 1	113 6	235 3	183 2	945 0	814 9
1 Irrigation Projects	32 1	23 6	48 0	103 7	87 6	328 0	310 0
2 Power Projects	45 7	57 5	76 1	1 9 3	43 3	8 0	287 0
MAJOR IRRIGATION & POWER PROJECTS	77 8	81 1	1 4 1	283 0	130 9	556 0	597 7
1 Cottage Industries	0 4	3 0	7 –	10 6	14 2	50 0	64 5
2 Other Industries		–	1 3	1 5	2 0	5 0	5 4
III INDUSTRY	0 4	3	8 5	12 1	16 2	55 0	69 9
1 Roads	15	31 2	43 2	89 6	59 3	189 0	286 3
2 Road Transport							
3 Ports and Harbours							
IV TRANSPORT	15	31	43	89 6	59 3	189 0	286 3
1 Education	2 8	12 9	35 7	51 4	62 6	200 0	01 8
2 Medical	13 0	13 1	24 6	50 7	44 0	77 0	118 9
3 Public Health	22 0	25 6	27 8	75 4	40 8	130 0	159 4
4 Housing	0	0 2	0 3	0 7	3 6	10 0	8 2
5 Labour & Labour Welfare							
6 Welfare of Backward Classes	5 4	10 5	15 0	30 9	27 7	80 0	88 6
SOCIAL SERVICES	43 4	6– 3	103 4	209 1	178 7	497 0	5 6 9
MISCELLANEOUS							
GRAND TOTAL	193 4	52 9	39 8	829 1	5[illegible]8 3	2242 0	1

STATEMENT III—*Progress fo Development Expenditure in States*—contd

13 MYSORE

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 43 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 1952 Plan	Plan including Adjusst ments & Scarcity Area Programme
1	2	3	4	5	6	7	8
1 Agriculture	114 4	87 3	77 7	279 4	64 4	443 0	461 1
2 Animal Husbandry	11 5	10 5	11 0	33 0	14 1	53 8	63 4
3 Dairying and Milk Supply							0 2
4 Forests	1 4	1 5	1 7	4 6	- 0	8 3	8 4
5 Cooperation	2 0	1 5	1 3	4 8	1 5	7 1	8 3
6 Fisheries	0 4	0 5	0 6	1 5	1 -	2 2	2 6
7 Rural Development	16 6	9 7	5 3	31 6	3 8	81 1	81 1
I AGRICULTURE & RURAL DEVELOPMENT	146 3	111 0	97 6	354 9	87 0	595 5	625 1
1 Irrigation Projects	234 2	278 3	201 5	714 0	310 5	716 0	1486 0
2 Power Projects	228 7	292 1	295 5	816 3	285 8	1268 0	1390 1
II MAJOR IRRIGATION & POWER PROJECTS	462 9	570 4	497 0	1530 3	596 3	1984 0	2876 1
1 Cottage Industries	6 8	7 -	12 2	6 2	23 1	135 3	157 4
2 Other Industries	2 9	4 4	5 8	13 1	39 6	34 9	97 8
III INDUSTRY	9 7	11 6	18 0	39 3	62 7	170 1	55 2
1 Roads	38 6	63 0	10- 7	204 3	113 2	320 1	334 1
2 Road Transport							
3 Ports & Harbours							
IV TRANSPORT	38 6	63 0	102 7	204 3	113 2	320 1	334 1
1 Education	26 0	30 3	29 2	85 5	39 3	225 7	251 5
- Medical	4 0	4 3	5 7	14 0	9 0	56 5	57 3
3 Public Health	13 4	18 6	6 6	38 6	13 1	158 3	167 3
4 Housing	1 7	2 3		4 0		50 0	7 2
5 Labour & Labour Welfare							
6 Welfare of Backward Classes	20 1	19 7	19 8	59 6	17 4	100 0	106 3
V SOCIAL SERVICES	65 2	75 2	61 3	201 7	78 8	590 5	589 6
MISCELLANEOUS							
GRAND TOTAL	722 7	831 -	776 6	2330 5	938 0	3660 2	4680 1

STATEMENT III—*Progress of Development Expenditure in States*—Contd

14 PEPSU

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 1952 Plan	Plan including Adjustments & Scarcity Area Programme
1	2	3	4	5	6	7	8
1 Agriculture	40 3	46 0	77 7	164 0	72 7	335 -	305 2
2 Animal Husbandry		0 4	1 3	1 7	3 1	10 0	10 0
3 Dairying & Milk Supply							
4 Forests	0 5	3 9	8 9	13 3	1 7	43 6	43 6
5 Co-operation		0 7	2 8	3 5	2 7	15 0	13 5
6 Fisheries		0 3	0 3	0 6	0 6	- 4	2 4
7 Rural Development							
I AGRICULTURE & RURAL DEVELOPMENT	40 8	51 3	91 0	183 1	91 8	406 2	374 7
1 Irrigation Projects		7 3	10 -	17 5	12 8	34 0	34 1
2 Power Projects	4 6			4 6		30 6	30 6
II MAJOR IRRIGATION & POWER PROJECTS	4 6	7 3	10 2	22 1	1 8	64 6	64 7
1 Cottage Industries		0 3	0 4	0 7	2 3	4 4	3 0
2 Other Industries	0	1 7	5 0	8 7	9 5	27 3	27 8
III INDUSTRY	2 0	2 0	5 4	9 4	11 8	31 7	30 8
1 Roads	20 1	24 1	33 0	77 2	18 6	95 1	179 4
2 Road Transport							
3 Ports & Harbours							
IV TRANSPORT	20 1	24 1	33 0	77 2	18 6	95 1	179 4
1 Education		1 9	8 9	10 8	18 7	63 0	63 0
2 Medical		11 7	33	44 9	49 5	87 0	150 -
3 Public Health		1 3	5 5	6 8	12 7	55 0	40 6
4 Housing			0 4	0 4		- 0	2 0
5 Labour & Labour Welfare							
6 Welfare of Backward Classes	1 9	3 4	2 4	7 7	3 3	10 0	14 3
V SOCIAL SERVICES	1 9	18 3	50 4	[illegible]0 6	84 -	[illegible]17 0	[illegible]0 1
MISCELLANEOUS							
GRAND TOTAL	69 4	1[illegible]3 0	190 0	36[illegible] 4	219 2	814 6	915

STATEMENT III—*Progress of Development Expenditure in State*—Contd

15 RAJASTHAN

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 195 Plan	Plan including Adjustments and Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	9 5	26 0	50 5	86 0	63 9	109 2	215 0
2 Animal Husbandry					7 7	18 3	28 3
3 Dairying & Milk Supply							
4 Forests			3 0	3 0	9 0	21 8	21 0
5 Co operation	0 1	0 6	0 5	1 2	0 7	3 0	3 0
6 Fisheries							
7 Rural Development	– 0	1 8	– 1	5 9	2 4	15 0	15 0
I AGRICULTURE & RURAL DEVELOPMENT	11 6	28 4	56 1	96 1	83 7	167 3	282 3
1 Irrigation Projects	56 1	51 3	96 1	203 5	267 9	503 6	772 3
2 Power Projects	39 6	18 5	31 4	89 5	1 3 5	40 8	91 6
II MAJOR IRRIGATION & POWER PROJECT	95 7	69 8	127 5	293 0	391 4	544 4	1 063 9
1 Cottage Industries	4 0	5 0	8 7	17 7	8 9	38 5	38 5
2 Other Industries							
III INDUSTRY	4 0	5 0	8 7	17 7	8 9	38 5	38 5
1 Roads	15 5	38 4	108 7	162 6	138 3	400 0	500 0
2 Road Transport						1 0	1 0
3 Ports & Harbours							
IV TRANSPORT	15 5	38 4	108 7	162 6	138 3	401 0	501 0
1 Education	40 8	54 7	49 9	145 4	62 4	263 5	273 5
2 Medical	12 8	7 9	14 6	35 3	17 4	182 0	71 0
3 Public Health	12 1	12 7	15 8	40 6	31 3	135 5	143 2
4 Housing	3 0			3 0		2 0	2 0
5 Labour & Labour Welfare			0 3	0 3	0 7	5 0	3 8
6 Welfare of Backward Classes	5 1	6 5	6 5	18 1	16 7	4 2	42 2
V SOCIAL SERVICES	73 8	81 8	87 1	242 7	128 5	530 2	535 7
MISCELLANEOUS							
GRAND TOTAL	200 6	223 4	388 1	812 1	750 8	1 681 4	2,4 1 4

STATEMENT III —*Progress of Development Expenditure in States*—contd

16 SAURASHTRA

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	104 -	78 4	46 9	229 5	47 9	212 4	212 4
2 Animal Husbandry	0 5	1 1	2	3 8	4 4	10 4	10 4
3 Dairying & Milk Supply						1 6	1 6
4 Forests	0 8	7	3 7	7 2	4 4	19 5	19 5
5 Co-operation	10 2	0 -	1 1	11 5	3 1	31 8	31 8
6 Fisheries	0 8	0 5	-	4 5	7 7	34 7	34 7
7 Rural Development	18 9	21 8	28 0	68 7	43 5	216 1	216 1
I AGRICULTURE & RURAL DEVELOPMENT	135 4	104 7	85 1	325 2	111 9	526 5	526 5
1 Irrigation Projects	70 2	141 7	127 7	339 6	13 5	474 6	779 6
2 Power Projects	14 2	27 0	46 2	87 4	83 4	212 5	212 5
II MAJOR IRRIGATION & POWER PROJECTS	84 4	168 7	173 9	4 7 0	296 9	687 1	1012 1
1 Cottage Industries	1 9	0 8	1 6	4 3	5 0	13 9	13
2. Other Industries	0 3	0 1		0 4		0 9	0
II INDUSTRY	2 -	0 9	1 6	4 7	5 0	14 8	14 8
1 Roads	24 5	69 0	89 1	18 6	137 4	300 0	300 0
2 Road Transport	0 3	0 9		1 2	5 0	53 0	6 2
3 Ports & Harbours	2 7	4 1	1 9	8 -	13 4	33 0	33 0
IV TRANSPORT	27 5	74 0	91 0	192 5	155 8	386 0	340 1
1 Education	12 8	16 1	0 6	49 5	36 9	164 9	164 9
2 Medical	3 3	3 8	7 2	14 3	16 4	71 4	71 4
3 Public Health	3 7	11 6	11 5	26 8	21 9	73 8	73 8
4 Housing	0 5		1 5	2 0	3 0	9 1	9 1
5 Labour & Labour Welfare			0 3	0 3	1 0	10 9	10 9
6 Welfare of Backward Classes	1 6	1 6	2 3	5 5	3 9	24 4	24 4
V SOCIAL SERVICE	21 9	33 1	43 4	98 4	83 1	354 5	354 5
MISCELLANEOUS	5 2	5 6	9 2	20 0	21 0	72 0	72 0
GRAND TOTAL	276 6	387 0	404 2	1067 [illegible]	[illegible]	[illegible]	[illegible]

STATEMENT III —*Progress of Development Expenditure in States*—contd

17 TRAVANCORE-COCHIN

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	195- 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 195 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	
1 Agriculture	30 6	41 1	31 1	102 8	36 2	545 1	545 1
2 Animal Husbandry	0 4			0 4	1	2 5	2 5
3 Dairying & Milk Supply							
4 Forests	1 8			1 8		60 0	60 0
5 Cooperation	0 3	0 2	0 6	1 1	2 4	8 0	8 0
6 Fisheries	0 1		0 9	1 0	4 1	15 0	15 0
7 Rural Development							..
I AGRICULTURE & RURAL DEVELOPMENT	33 2	41 3	32 6	107 1	44 0	630 6	630 6
1 Irrigation Projects	86 0	9- 5	88 0	266 5	135 6	478 0	5 8 0
- Power Projcets	206 2	225 8	208 0	640 0	195 6	103< 0	1185 0
II MAJOR IRRIGATION & POWER PROJECTS	292 2	318 3	296 0	906 5	331 2	1513 0	1,63 0
1 Cottage Industries		0 3	- 8	3 1	26 -	89 0	89 0
2 Other Industries	4 2	8 6	5 1	17 9	5 0	15 8	22 8
III INDUSTRY	4 2	8 9	7 9	21 0	31 2	104 8	111 8
1 Roads	24 5	26 4	32 3	83 2	75 1	150 0	175 0
2 Road Transport	4 9	10 0	16 0	30 9	16 8	42 0	55 0
3 Ports & Harbours	1 8	1 2	4 0	7 0	5 3	30 0	88 7
IV TRANSPORT	31 2	37 6	5- 3	1-1 1	97 2	-2 0	318 7
1 Education	4 0	6 0	4 9	14 9	4 6	-0 0	24 0
- Medical	-7 9	25 1	24 2	77 2	29 2*	120 0	133 0
3 Public Health	6 4	17 7	-0 6	44 7	13 7	51 5	59 0
4 Housing	0 2	3 2	8 0	11 4	12 7	10 0	10 0
5 Labour & Labour Welfare							
6 Welfare of Backward Classes	8 2	10 8	15 5	34 5	12 4	60 0	74 0
V SOCIAL SERVICES	46 7	62 8	73 2	18- 7	72 6	261 5	300 0
MISCELLANEOUS							11 0
GRAND TOTAL	407 5	468 9	462 0	1338 4	576 1	2731 9	3135 1

STATEMENT III —*Progress of Development Expenditure in States*—contd

18 JAMMU & KASHMIR

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	1952	Five Years Total Plan including Adjustment Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	1 8	4 0	3 1	8 9	10 2	41 8	42 1
2 Animal Husbandry					15 0	15 0	15 0
3 Dairying & Milk Supply							
4 Forests	0 5	0 5	2 0	3 0	4 0	10 0	13 2
5 Co-operation							
6 Fisheries							
7 Rural Development.							
I AGRICULTURE & RURAL DEVELOPMENT	2 3	4 5	5 1	11 9	35 2	66 8	70 3
1 Irrigation Projects	47 6	54 6	59 7	161 9	86 3	339 9	481 4
2 Power Projects	6 4	12 0	10 -	28 6	25	74 9	77 7
II MAJOR IRRIGATION & POWER PROJECTS	54 0	66 6	69 9	190 5	112 0	414 8	559 1
1 Cottage Industries			40 0	4 0	8 0	21 3	21 3
2 Other Industries	1 8	9 3	11 5	22 6	16 0	43 8	69 3
III INDUSTRY	1 8	9 3	15 5	26 6	24 0	65 1	91 1
1 Roads	10 9	14	44 4	69 5	65 6	494 4	537 3
2 Road Transport.							
3 Ports & Harbours							
IV TRANSPORT	10 9	14 2	44 4	69 5	65 6	494 4	537 3
1 Education.	7 0	2 5	10 8	20 3	14 1	46 0	46 0
2 Medical	3 6	2 6	4 6	10 8	16 9	46 0	46 0
3 Public Health	5 2	8 0	16 2	29 4	22 3	82 1	86 4
4 Housing		1 4	4 0	5 4	2 1	12 0	12 0
5 Labour & Labour Welfare							
6 Welfare of Backward Classes							
V SOCIAL SERVICES	15 8	14 5	35 6	65 9	55 4	186 1	190 4
MISCELLANEOUS	6 7	10 3	10 3	7 3	15 4	172 8	105 3
GRAND TOTAL	91 5	119 4	180 8	391 7	307 6	1300 0	1553 5

STATEMENT III —*Progress of Development Expenditure in States*—contd

19 AJMER

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	3	3	4	5	6	7	8
1 Agriculture	5 2	4 5	3 4	13 1	11 8	48 4	48 4
2 Animal Husbandry	0 1	0 1	0 2	0 4	0 6	9 6	9 6
3 Dairy and Milk Supply							
4 Forests	0 9	1 3	1 5	3 7	1 2	10 6	10 6
5 Co operation			0 1	0 1	1 5	8 4	8 4
6 Fisheries							
7 Rural Development							
I AGRICULTURE AND RURAL DEVELOPMENT	6 2	5 9	5 -	17 3	15 1	77 0	77 0
1 Irrigation Projects			1 6	1 6	1 7	11 3	36 3
2 Power Projects							
II MAJOR IRRIGATION AND POWER PROJECTS			1 6	1 6	1 7	11 3	36 3
1 Cottage Industries							
2 Other Industries							
III INDUSTRY							
1 Roads	0 6	1 2	3 7	5 5	7 4	15 9	15 9
2 Road Transport							
3 Ports and Harbour							
IV TRANSPORT	0 6	1 2	3 7	5 5	7 4	15 9	15 9
1 Education					7 6	15 0	15 0
2 Medical					10 9	31 9	31 9
3 Public Health	2 4	3 7	5 6	11 7	1 3	6 1	6 1
4 Housing	0 8	0 8	1 0	2 6			
5 Labour and Labour Welfare							
6 Welfare of Backward Classes							
V SOCIAL SERVICES	3 2	4 5	6 6	14 3	19 9	53 0	53 0
MISCELLANEOUS							
GRAND TOTAL	10 0	11 6	17 1	38 7	55 0	157 2	18 2

STATEMENT III —*Progress of Development Expenditure in States*—contd

20 BHOPAL

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	31 6	39 1	30 2	100 9	53 0	173 0	173 0
2 Animal Husbandry	0 3	0 6	1 4	2 3	2 1	7 0	7 0
3 Dairy & Milk Supply							
4 Forests		1 2	4 8	6 0	8 7	20 0	20 0
5 Co-operation		0 1	0 4	0 5	2 1	5 0	5 0
6 Fisheries	0 2	0 3	0 4	0 9	0 4	2 0	2 0
7 Rural Development							
I AGRICULTURE & RURAL DEVELOPMENT	32 1	41 3	37 2	110 6	66 3	207 0	207 0
1 Irrigation Projects					4 0		10 0
2 Power Projects	4 1	4 5	4 5	13 1	16 3	27 9	30 9
II MAJOR IRRIGATION & POWER PROJECTS	4 1	4 5	4 5	13 1	20 3	7 9	40 9
1 Cottage Industries		1 6	5 7	7 3	5 6	5 0	17 9
2 Other Industries							
III INDUSTRY		1 6	5 7	3	5 6	5 0	17 9
1 Roads	4 3	5 0	13 2	– 5	2 –	40 0	40 0
2 Road Transport							
3 Ports and Harbours							
IV TRANSPORT	4 3	5 0	13 2	2 5	–	40 0	40 0
1 Education	0 7	1 8	13 4	[illegible] 9	2[illegible] 0	30 0	[illegible]9 0
2 Medical		2 0	11 6	13 6	14 0	25 0	40 0
3 Public Health		6 2	13 3	19 5	18 0	0 0	5 0
4 Housing							
5 Labour and Labour Welfare							
6 Welfare of Backward Classes		1 3	– 8	1 5	2 1	4 0	5 0
V SOCIAL SERVICES	0 7	11 3	[illegible] 8	[illegible] 8	[illegible] 1	[illegible]	[illegible]
GRAND TOTAL	41 2	63	[illegible] 5 4	[illegible] 3	[illegible]	[illegible]	

STATEMENT III —*Progress of Development Expenditure in States—contd*

2 BILASPUR

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951—54	1954 55 (Budget)	1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture		0 5	0 6	1 1	2 3	7 0	7 0
2 Animal Husbandry		0 2	0 3	0 5	0 2	1 1	1 1
3 Dairying and Milk Supply							
4 Forests					1 4	5 0	5 0
5 Co operation							
6 Fisheries						0 5	0 5
7 Rural Development							
I AGRICULTURE AND RURAL DEVELOPMENT		0 7	0 9	1 6	3 9	13 6	13 6
1 Irrigation Projects							
2 Power Projects							
II MAJOR IRRIGATION AND POWER PROJECTS							
1 Cottage Industris						0 5	0 5
2 Other Industries							
III INDUSTRY						0 5	0 5
1 Roads	2 0	2 1	8 7	12 8	5 0	23 0	23 0
2 Road Transport		0 5		0 5		2 0	2 0
3 Ports and Harbours							
IV TRANSPORT	2 0	2 6	8 7	13 3	5 0	25 0	25 0
1 Education	0 1	0 8	0 8	1 7	2 9	10 0	10 0
2 Medical		0 1	0 5	0 6	1 0	4 0	4 0
3 Public Health		0 1	0 2	0 3	1 3	4 0	4 0
4 Housing							
5 Labour and Labour Welfare							
6 Welfare of Backward Classes							
V SOCIAL SERVICES	0 1	1 0	1 5	2 6	5 2	18 0	18 0
MISCELLANEOUS							
GRAND TOTAL	2 1	4 3	11 1	17 5	14 1	57 1	57 1

STATEMENT III —*Progress of Development Expenditure in States*—contd

22 COORG

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951—54	1954 55 (Budget)	1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	4 0	4 0	4 0	1 0	5 1		26 0
2 Animal Husbandry			0 9	0 9	0 4		1 4
3 Dairying and Milk Supply	0 3			0 3		1 0	1 0
4 Forests			0 7	0 7	0 3		1 0
5 Co operation					1 0	2 0	2 0
6 Fisheries							
7 Rural Development							
I AGRICULTURAL AND RURAL DEVELOPMENT	4 3	4 0	5 6	13 9	6 8	3 0	31 4
1 Irrigation Projects							
2 Power Projects						35 0	35 0
II MAJOR IRRIGATION AND POWER PROJECTS						35 0	35 0
1 Cottage Industries			0 8	0 8	0 5		0
2 Other Industries							
III INDUSTRY			0 8	0 8	0 5		2 0
1 Roads	3	0 9	6 6	9 8	9 0	20 0	25 0
Road Transport			1 0	1 0	1 0		- 0
3 Ports and Harbours							
IV TRANSPORT	2 3	0 9	7 6	10 8	10 0	20 0	7 0
1 Education	3 6	3 4	0 4	7 4	0 8	10 0	10 0
2 Medical			1 5	1 5	1 1	5 0	6 5
3 Public Health			0 7	0 7	4 5		5 0
4 Housing							
5 Labour and Labour Welfare							
6 Welfare of Backward Classes							
V SOCIAL SERVICES	3 6	3 4	6	9 6	6 4	1 0	1
MISCELLANEOUS							
GRAND TOTAL	10 2	8 3	16 6	35 1	23 7	7 0	116 0

STATEMENT III —*Progress of Development Expenditure in States*—contd

23 DELHI

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years 195 Plan	Total Plan including Adjustments and Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	6 2	7 6	7 3	21 1	1 6	63 6	63 6
2 Animal Husbandry	1 0	1 1	1 8	3 9	2 7	9 4	9 4
3 Dairying and Milk Supply					5 0	4 9	4 9
4 Forests	0 1	0 1	0 3	0 5	0 3	2	2 2
5 Co-operation	0 2	0 8	1 1	2 1	1 5	6 3	6 3
6 Fisheries	0 4	0 3	0 4	1 1	0 5	2 6	2 6
7 Rural Development							
I AGRICULTURAL & RURAL DEVELOPMENT	7 9	9 9	10 9	28 7	22 6	89 0	89 0
1 Irrigation Projects							
2 Power Project							
II MAJOR IRRIGATION & POWER PROJECTS							
1 Cottage Industries						7 3	3
2 Other Industries							
III INDUSTRY						7 3	7 3
1 Roads	0 5	1 8	7 4	9 7	7 9	25 0	25 0
2 Road Transport		*			*	216 0	76 0
3 Ports and Harbours							
IV TRANSPORT	0 5	1 8	7 4	9 7	7 9	241 0	301 0
1 Education	22	41 3	47 0	110 5	56 7	259 8	259 8
2 Medical	0 8	11 1	10 2	22 1	27 9	58 9	89 4
3 Public Health	3 1	0 7	0 7	4 5	3 6	36 0	41 7
4 Housing						55 0	55 0
5 Labour and Labour Welfare			0 1	0 1	0	1 0	1 0
6 Welfare of Backward Classes							
V SOCIAL SERVICES	26 1	53 1	58 0	137 2	88 4	410 7	446 9
MISCELLANEOUS			—				
GRAND TOTAL	34 5	64 8	76 3	175 6	118 9	748 0	844

Expenditure on Delhi Road Transport amounting to Rs 38 2 lakhs Rs 18 8 lakhs Rs 54 8 lakhs and Rs 103 1 lakhs in 1951 52 (Actuals) 195 53 (Actuals) 1953 54 (Revised) and 1954 55 (Budget) respectively is shown under the Ministry of Transport.

STATEMENT III —*Progress of Development Expenditure in States*—contd

24 HIMACHAL PRADESH

(Rs lakhs)

Head of Development	Progress of Expenditure					F ve Years Total	
	1951 52 (Actual)	1952 53 (Actuals)	1953 54 (Rev sed)	1951 54	1954 55 (Budget)	1952 Plan	Plan in cluding Adjust ments & Scarcity Area Program mes
1	2	3	4	5	6	7	8
1 Agriculture	0 8	0 8	1 2	2 8	3 4	28 0	28 0
2 Animal Husbandry	0 1	0 4	1 6	2 1	8 1	22 4	4
3 Dairying and Milk Supply							
4 Forests	0 6	0 3	1 0	1)	5 1	59 0	59 0
5 Co-operation		0 1	3 0	3 1	5 4	15 0	15 0
6 Fisheries	0 _		0 1	0 3	0 2	1 0	1 0
7 Rural Development							
AGRICULTURAL & RURAL DEVELOPMENT	1 7	1 6	6 9	10 2	2 2	125 4	125 4
1 Irrigation Projects		4 0	12 0	16 0	5 0	80 0	80 0
2 Power Projects		1 5	2 5	4 0	9 4	13 5	13 5
MAJOR IRRIGATION & POWER PROJECTS		5 5	14 5	0 0	14 4	93 5	93 5
1 Cottage Industries		0 1	3 8	3 9	8 0	23 0	23 0
2 Other Industries							
I INDUSTRY		0 1	3 8	3 9	8 0	3 0	23 0
1 Roads	7 6	24 3	25 3	57 2	46 7	110 0	150 0
2 Road Transport		0 1	2	2 3	6 0	10 0	10 0
3 Ports and Harbours							
TRANSPORT	7 6	24 4	27 5	59 5	52 7	120 0	160 0
1 Education	0 3	2 2	5 7	8 2	9 1	36 7	49 4
2 Medical	0 3	3 5	2 4	6 –	4 3	18 1	18 1
3 Public Health	0 1	3 2	13 6	16 9	11 1	37 9	37 9
4 Housing							
5 Labour and Labour Welfare							
6 Welfare of Backward Classes							
SOCIAL SERVICES	0 7	8 9	21 7	31 3	24 5	9 –	10 4
MISCELLANEOUS							
GRAND TOTAL	10 0	40 5	74 4	124 9	121 8	454 –	

STATEMENT III —*Progress of Development Expenditure in States*—Contd

25 KUTCH

(Rs lakhs)

Head of Development	Progress of Expenditure 1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	Five Years Total 1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture	8 5	7 8	3 9	20 2	8 9	60 6	60 6
2 Animal Husbandry	0 5	0 4	0 9	1 8	1 1	3 9	3 9
3 Dairying and Milk Supply							
4 Forests		0 2	0 -	0 4	0 3	1 4	1 4
5 Co op ration			1 -	1 2	0 7	3 5	3 5
6 Fisheries			0 3	0 3	0 7	1 4	1 4
7 Rural Development							
I AGRICULTURAL & RURAL DEVELOPMENT	9 0	8 4	6 5	-3 9	11 7	70 8	,0 8
1 Irrigation Projects	2 6	25 5	24 1	52 -	27 0	91 0	91 0
2 Power Projects		7 1	4 1	11 2	19 8	23 0	[illegible]
II MAJOR IRRIGATION & POWER PROJECTS	2 6	32 6	-8 2	63 4	46 8	114 0	134 0
1 Cottage Industries			0 3	0 3	1 0	3 5	3 5
2 Other Industries							
III INDUSTRY			0 3	0 3	1 0	3 5	3 5
1 Roads	4 8	15 7	6 3	26 8	16 5	58 3	58 3
2 Road Transport							
3 Ports and Harbours		0 1	4 5	4 6	3 1	13 4	13 4
IV TRANSPORT	4 8	15 8	10 8	31 4	19 6	71 7	71 7
1 Education		0 1	1 6	1 7	1 7	6 8	6 8
2 Medical		0 3	0 4	0 7	4 0	26 0	26 0
3 Public Health	0 1	0 5	1 4	- 0	3	10 0	10 0
4 Housing							
5 Labour and Labour Welfare							
6 Welfare of Backward Classes		0 1	0 4	0 5	0 7	- 5	2 5
V SOCIAL SERVICES	0 1	1 0	3 8	4 9	8 7	45 3	45 3
MISCELLANEOUS							
GRAND TOTAL	16 5	57 8	49 6	1 3 9	87 8	305 3	3 5 3

STATEMENT III —*Progress of Development Expenditure in States*—cont

26 MANIPUR

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture			0 3	0 3	0 4	0 8	0 5
2 Animal Husbandry		0 1	0 2	0 3	0 5	2	5
3 Dairying and Milk Supply							
4 Forests		0 2	0 8	1 0	0 9	3 0	3 0
5 Co-operation							0 4
6 Fisheries							
7 Rural Development							
I AGRICULTURAL & RURAL DEVELOPMENT		0 3	1 3	1 6	1 8	6 3	6 7
1 Irrigation Projects							
2 Power Projects		0 6	0 5	1 1	5 0	13 0	13 0
II MAJOR IRRIGATION & POWER PROJECTS		0 6	0 5	1 1	5 0	13 0	13 0
1 Cottage Industries					0 5		[illegible]
2 Other Industries							
III INDUSTRY					0 5		[illegible]
1 Roads		11 6	10 7	22 3	15 5	81 3	81 3
2 Road Transport			6 3	6 3	1	10 5	[illegible]
3 Ports and Harbours							
IV TRANSPORT		11 6	17 0	28 6	16 7	[illegible]	61 [illegible]
1 Education		1 4	3 3	4 7	4 9	17 7	17 7
2 Medical		0 3	0 4	0 [illegible]	2 2	[illegible]	[illegible] 0
3 Public Health			0 2	0 2	0 5	21	[illegible] 0
4 Housing							
5 Labour and Labour Welfare							
6 Welfare of Backward Classes							
V SOCIAL SERVICES		1 7	3 9	5 6	7 [illegible]	41 7	[illegible]
MISCELLANEOUS							
GRAND TOTAL		14	22 7	36 9	31 [illegible]	[illegible]	[illegible]

STATEMENT III —*Progress of Development Expenditure in States—contd*

27 TRIPURA

(Rs lakhs)

Head of Development	Progress of Expenditure					Five Years Total	
	1951 52 (Actuals)	1952 53 (Actuals)	1953 54 (Revised)	1951 54	1954 55 (Budget)	1952 Plan	Plan including Adjustments & Scarcity Area Programmes
1	2	3	4	5	6	7	8
1 Agriculture			0 1	0 1	3 4	12 6	8 6
2 Animal Husbandry		0 1	0 3	0 4	- 5	2 8	3 9
3 Dairying and Milk Supply							
4 Forests	0 2	0 7	1 6	2 5	3 3	11 3	10 8
5 Co-operation					0 -	1 1	1 9
6 Fisheries					0 8		1 4
7 Rural Development							
I AGRICULTURE AND RURAL DEVELOPMENT	0 2	0 8	- 0	3 0	10 2	27 8	26 6
1 Irrigation Projects							
2 Power Projects		0 3	3 5	3 8	3 0	7 0	7 0
II MAJOR IRRIGATION AND POWER PROJECTS		0 3	3 5	3 8	3 0	7 0	7 0
1 Cottage Industries		0 2	0 7	0 9	3 7	5 8	7 8
2 Other Industries							
III INDUSTRY		0 2	0 7	0 9	3 7	5 8	7 8
1 Roads	3 7	9 9	27 8	41 4	40 2	128 0	128 0
- Road Transport							
3 Ports and Harbours							
IV TRANSPORT	3 7	9 9	27 8	41 4	40 2	128 0	128 0
1 Education	0 3	3 7	2 0	6 0	12 0	24 0	30 5
2 Medical		0 4	2 2	2 6	6 1	11 7	0 1
3 Public Health		0 3	0 6	0 9	- 2	3 0	6 8
4 Housing							
5 Labour and Labour Welfare							
6 Welfare of Backward Classes							
V SOCIAL SERVICES	0 3	4 4	4 8	9 5	20 3	38 7	57 4
MISCELLANEOUS							6 3
GRAND TOTAL	4 2	15 6	38 8	58 6	77 4	207	

STATEMENT III—*Progress of Development Expenditure in States*—contd.

VINDHYA PRADESH

(Rs lakhs)

	Progress of Expenditure					Five Year Total	
	1951-52 (Actuals)	1952-53 (Actuals)	1953-54 (Revised)	1951-54	1954-55 (Budget)	1951-56 Plan	Plan including Adjustments Scarcity Area Programme
1	2	3	4	5	6	7	8
1 Agriculture	10 5	19 2	38 4	68 1	58 1	204 7	04 7
2 Animal Husbandry	0 4	1 0	1	3 5	5 1	12 9	1 9
3 Dairying and Milk Supply						1 5	1 5
4 Forests		3 1	6 1	9 2	5 2	2 5	2
5 Co-operation			1 0	1 0	1 0	3 0	3 0
6 Fisheries		0 1	0 1	0	0 7	1 2	1 2
7 Rural Development							
I AGRICULTURE AND RURAL DEVELOPMENT	10 9	3 4	47 7	82 0	71 1	45 8	45 8
1 Irrigation Projects							
2 Power Projects		0	5 0	5	5 0	50 5	72 5
II MAJOR IRRIGATION AND POWER PROJECTS		0 2	5 0	5	5 0	50 5	72 5
1 Cottage Industries Other Industries			0 4	0 4	1 1	6 0	6 0
III INDUSTRY			0 4	0 4	1 1	6 0	6 0
1 Roads	1	10 2	14 0	36 4	39 8	125 9	125 9
2 Road Transport							
3 Ports and Harbours							
IV TRANSORT	12 2	10 2	14 0	36 4	39 8	1 5 9	125 9
1 Education	4 1	6 8	18 5	29 4	44 2	100 0	100 0
2 Medical		1 5	6 5	8 0	13 3	36 0	40 0
3 Public Health		3 5	1 8	16 3	14 5	60 0	85 8
4 Housing							
5 Labour & Labour Welfare							
6 Welfare of Backward Classes			1 2	1	5 9	15 0	15 0
V SOCIAL SERVICE	4 1	11 8	39 0	54 9	77 9	211 0	240 8
MISCELLANEOUS							
GRAND TOTAL	27	45 6	106 1	178 9	214 9	639 2	691 0

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